United Nations A/57/612

General Assembly

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Fifty-seventh session
Agenda item 120
United Nations common system

Strengthening of the international civil service

Report of the Secretary-General*

Summary

Pursuant to section III of General Assembly resolution 56/244 of 24 December 2001, the Secretary-General, after consultation with the Chairman of the International Civil Service Commission, submits, in the present report, the requested timetable as well as the terms of reference for and composition of the panel on the strengthening of the international civil service.

* The delay in submission of the report is due to the time required for the necessary consultations.

02-69392 (E) 141102

Introduction

1. Under article 1 of its Statute, the International Civil Service Commission was established by the General Assembly of the United Nations for the regulation and coordination of the conditions of service of the United Nations common system.

2. In section III of its resolution 56/244 of 24 December 2001, the General Assembly requested the Secretary-General, in close consultation with the Chairman of the International Civil Service Commission, to submit a timetable for the implementation of the review of the strengthening of the international civil service to the Assembly at the main part of its fifty-seventh session.

3. After consultations with the Chairman of the Commission, the Secretary-General submits the terms of reference for and composition of the panel that will conduct the review as well as the requested timetable.

Terms of reference for the panel on the strengthening of the international civil service

Objective

4. The review should be a focused process firmly set in the context of the Commission's Statute and clearly aimed at further strengthening the Commission and maximizing its ability to support the General Assembly in guiding the common system.

5. The panel of eminent persons should consider ways of better equipping the Commission, within the framework of the Statute, with tools to implement its tasks, while further ensuring the Commission's independence, impartiality and effectiveness.

6. The panel should study and report on ways of enhancing the Commission's capability to reinforce, modernize and thereby strengthen the international civil service to meet new and complex challenges.

Composition of the panel

7. The panel will consist of the following members nominated by the Secretary-General in consultation with the Chairman of the Commission. Secretariat support will be jointly provided by the secretariats of the United Nations System Chief Executives Board for Coordination (CEB) and the Commission. The panel will comprise:

Mary Chinery-Hesse (Ghana)	Presently Member of the Eminent Persons Advisory Panel on the transition of the Organization of African Unity to the African Union, Former Permanent Secretary, Ministry of Finance, United Nations Development Programme Resident Representative to several countries, Deputy Director-General of the International Labour Organization. Deputy Director-General of the International Labour Organization.

Phillip Rochat (Switzerland)	Presently Executive Director of the Air Transport Action Group, a non-governmental organization.
	Former Secretary-General of the International Civil Aviation Organization.
	Former assistant to the Director General of Civil Aviation of Switzerland.
	Former Director of commercial and financial departments of the Geneva International Airport.
Ernst Sucharipa (Austria)	Presently Head of the Diplomatic Academy of Austria.
	Former Ambassador and Permanent Representative of Austria to the United Nations.
Anatoly V. Torkunov (Russian Federation)	Presently Rector, Moscow State Institute of International Relations.
	Former Ambassador in the Diplomatic Service of the Russian Federation.

The Chairman of the Commission, Mohsen Bel Hadj Amor, will participate in the Panel as an ex officio member.

8. The panel may hold consultations and seek expert advise as required.

Timetable and reporting

9. The Panel will submit its findings and recommendations to the Secretary-General who will report thereon to the General Assembly at its fifty-ninth session.

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Fifty-seventh session
Agenda item 21 (a)
Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: strengthening of the coordination of emergency humanitarian assistance of the United Nations

Enhancing the functioning and utilization of the Central Emergency Revolving Fund

Note by the Secretary-General*

Summary

The present note provides an update on the status of the functioning and utilization of the Central Emergency Revolving Fund. While there has recently been a marked increase in advances to United Nations agencies for emergency response measures, this increase, in particular during the past year, may be largely related to the expanded terms of its use, as agreed to by the Assembly in resolution 56/107. Hence, before expanding the terms of the Fund even further, it is recommended that the pattern of its utilization be monitored and analysed in more detail, and over a longer period of time.

* The document was delayed to ensure that an updated and meaningful assessment of Fund expenditure was provided.

02-69462 (E) 151102

I. Introduction

1. The present note is submitted pursuant to General Assembly resolution 56/107 of 14 December 2001, in which the Assembly, inter alia, requested the Secretary-General to report to it on the utilization of the Central Emergency Revolving Fund and on further possible improvements in its terms of reference in order to enhance its functioning and utilization, inter alia, in relation to the great need for urgent assistance in many underfunded, so-called forgotten emergencies.

II. Current status of the Central Emergency Revolving Fund

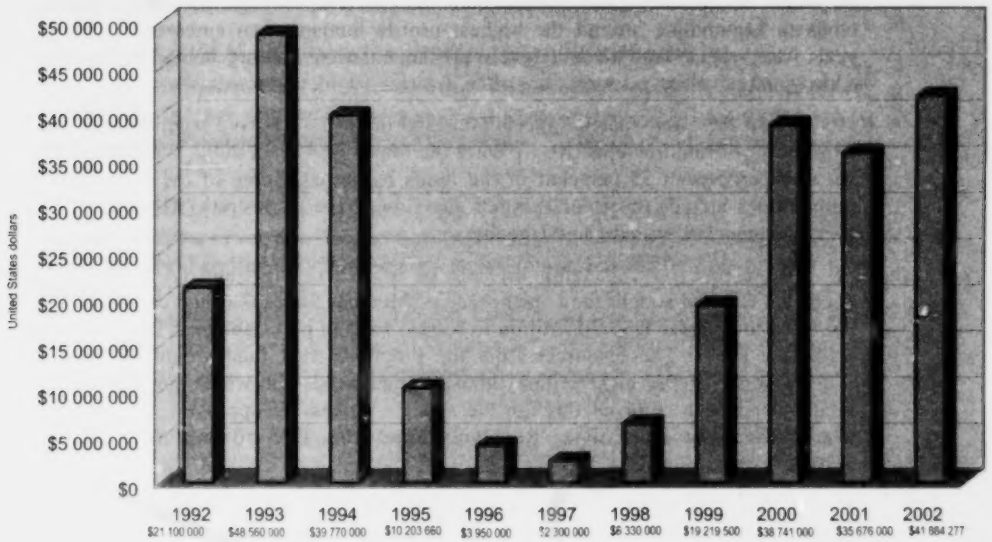
2. The Revolving Fund has continued to act as a key cash flow mechanism to ensure the rapid and coordinated response of the organizations of the United Nations system to humanitarian emergencies. Since its establishment pursuant to Assembly resolution 46/182 of 19 December 1991, and until September 2002, a total of US$ 267,644,437 has been advanced through the Fund. Of this figure, US$ 228,580,160 has been reimbursed and the interest earned stands at US$ 14,248,869.[1] Although the use of the Fund by United Nations agencies has been uneven over the years, there has been a marked increase in its utilization since 1999.

3. The Revolving Fund began operation in 1992 and was heavily drawn upon in the early years. The advances disbursed totalled US$ 21.1 million in 1992, then rose to US$ 48.5 million in 1993 and reached almost US$ 40 million in 1994. Most of the advances made during those years were directed at addressing the crises in Burundi, Iraq, Rwanda and Somalia. However, the period from 1995 to 1998 witnessed a drastic decline in the use of the Fund. The lowest use was in 1997, when only about US$ 2.3 million was advanced. From 1999, the use of the Fund by United Nations agencies began to rise steadily. The almost US$ 20 million advanced in 1999 rose to some US$ 38.7 million in 2000. This amount decreased only slightly in 2001, when some US$ 35.6 million was advanced. As at September 2002, the amount advanced for the year was almost US$ 42 million, making 2002 the year of highest use since the advancement of US$ 48.5 million in 1993 (see fig. below). The average disbursement during the early years from 1992 to 1994 was approximately US$ 36.4. From 2000 to 2002, the average advanced from the fund rose to US$ 38.7 million.

4. Part of the reason for the more extensive use of the Fund since its inception, and most notably in 2002, may be attributed to the endorsement by Member States, in Assembly resolution 56/107, of the Secretary-General's recommendations (see A/55/649), including the expansion of the use of the Fund to cover funding for humanitarian assistance for natural disasters, humanitarian assistance for new requirements in protracted emergencies and for emergency staff safety arrangements for United Nations and associated personnel. These amendments were the most substantive made to the functioning of the Fund since it began operation. In particular, the inclusion of natural disasters in the criteria for the use of the Fund led to a steep increase in its utilization. Of the approximately US$ 41.8 million advanced in 2002, over US$ 26 million was advanced for a natural disaster, the

[1] Figure reflects total interest earned as at 30 June 2002.

Central Emergency Revolving Fund: consolidated advances



southern African drought. Most of the remaining funds were advanced to the Food and Agriculture Organization of the United Nations, the Department of Peacekeeping Operations (Mine Action Service) and the United Nations Children's Fund to address emergency needs in protracted emergency situations, such as those in Afghanistan, Angola, Burundi, the Democratic Republic of the Congo, Sierra Leone and the Sudan. All funds continue to be advanced on a reimbursable basis in accordance with the procedures set out in the Secretary-General's bulletin ST/SGB/251.

5. The Fund was not used to advance funds to cover urgent staff security needs in 2002, as provided for in Assembly resolution 56/107. This may be the result of the decision taken by the Assembly in section VIII of its resolution 56/255 of 24 December 2001, which placed the Office of the United Nations Security Coordinator on a more stable financial footing. However, adverse security circumstances which would necessitate the use of the Fund to meet the advance costs of security, may still occur.

III. Proposed trust fund for low-profile emergencies

6. The consistently low level of funding received in response to consolidated appeals was illustrated in a note by the Secretary-General (A/55/649) and remains a concern. Despite the development and strengthening of the consolidated appeals process (CAP) as a coordination and strategic planning tool, humanitarian agencies still face constraints in responding to low-profile humanitarian emergencies owing to the low level of funding received during the appeals. The report submitted by the Secretary-General to the Economic and Social Council at its substantive session of 2002 (A/57/77-E/2002/63) presents the findings of an independent review of the

consolidated appeals process. The findings of the review concur with those expressed in the above-mentioned note by the Secretary-General: low-profile or forgotten emergencies have continued to receive low funding, and donor funding tends to accumulate around the highest profile humanitarian emergencies of the year. Also, rather than overall levels of humanitarian funding being increased to address major crises, resources are often diverted from other appeals.

7. Of the 25 consolidated appeals launched in 2002,[2] 16 have received less than 50 per cent of requirements. As we enter the fourth quarter of 2002, 7 of these have yet to receive even 35 per cent of the funds requested. Some of the least-funded programmes include those for Burundi, the Congo, the Democratic Republic of the Congo, Indonesia, Somalia and Uganda.

8. In his note on enhancing the role of the Revolving Fund (A/55/649), the Secretary-General sought the concurrence of Member States that had contributed to the Fund to transfer US$ 10 million to a trust fund to be established for lifesaving assistance needs. The resources from the proposed trust fund would be used to address some of the most critical humanitarian needs for which no satisfactory funding had been received through the appeals process. If approved, the proposal would reduce the level of the Revolving Fund from US$ 50 million to US$ 40 million.

9. In the light of the steady rise in the use of the Fund since 1999, it may be prudent at the present juncture to keep the proposal for a trust fund in abeyance. This would allow for a more thorough and realistic analysis on the usage of the Revolving Fund, in particular given the substantive expansions decided upon by the Assembly in its resolution 56/107. A more in-depth analysis would allow for the development of concrete proposals that could better guide any further adjustments to the terms of reference of the Fund.

IV. Conclusion and recommendations

10. **The Central Emergency Revolving Fund is an important tool for coordination that has enabled humanitarian agencies to respond more rapidly in times of need. Since the adoption of General Assembly resolution 56/107, the scope of the Fund has been broadened so that it can be used for natural disasters, protracted emergencies and for supporting staff security arrangements. There has been increased usage of the Fund in 2002, in particular in connection with natural disasters, and further demands can be anticipated in the light of the current forecasts of climatic change.**

11. **Likewise, the Fund will continue to be used to respond to complex emergencies. Its use, however, will depend on the receptiveness of donors. Where there are clear assurances of funding from donors, the Fund can ensure a speedy response to humanitarian emergencies by bridging the immediate cash flow requirements of agencies. In the absence of such reliable donor commitments, as is often the case in the so-called forgotten emergencies, the Revolving Fund will be of only limited value. Agencies will refrain from requesting advances for fear of subsequent inability to reimburse the Fund**

[2] This figure includes consolidated appeals for countries and regions, as well as for the drought in southern Africa.

owing to lack of donor funding. This may account for the fluctuations in the use of the Fund, and further study is required before specific proposals are made to expand further the terms and scope of the Fund.

12. **In the light of the above, the General Assembly may wish to:**

(a) **Support the efforts of the Emergency Relief Coordinator to undertake further monitoring and analysis of the functioning and utilization of the Central Emergency Revolving Fund before proposing any further changes in its use;**

(b) **Request the Emergency Relief Coordinator to make recommendations on how to maximize the value of the Fund by addressing the issue of low funding for low-profile or so-called forgotten emergencies with donors.**

United Nations A/57/614–S/2002/1246

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Security Council

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General Assembly
Fifty-seventh session
Agenda items 21 (d), 37, 86 (b), 87, 100, 101 and 160

Strengthening of the coordination of humanitarian and disaster relief assistance of the United Nations, including special economic assistance: emergency international assistance for peace, normalcy and reconstruction of war-stricken Afghanistan

The situation in Afghanistan and its implications for international peace and security

Sustainable development and international economic cooperation: integration of the economies in transition into the world economy

Environment and sustainable development

Crime prevention and criminal justice

International drug control

Measures to eliminate international terrorism

Security Council
Fifty-seventh year

Letter dated 12 November 2002 from the Permanent Representatives of Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan to the United Nations addressed to the Secretary-General

We have the honour to forward to you the texts of the Joint Communiqué and the Dushanbe Declaration, signed by the Presidents of the Republic of Kazakhstan, the Kyrgyz Republic, the Republic of Tajikistan and the Republic of Uzbekistan during the summit of the States members of the Organization of Central Asian Cooperation, held in Dushanbe on 5 and 6 October 2002 (see annexes I and II).

02-69544 (E) 211102

We should be grateful if you would have the present letter and its annexes circulated as a document of the General Assembly, under agenda items 21 (d), 37, 86 (b), 87, 100, 101 and 160, and of the Security Council.

(*Signed*) H.E. Mrs. Madina B. **Jarbussynova**
Ambassador
Permanent Representative of the Republic of Kazakhstan
to the United Nations

(*Signed*) H.E. Mr. Kamil M. **Baialinov**
Ambassador
Permanent Representative of the Kyrgyz Republic
to the United Nations

(*Signed*) H.E. Mr. Rashid K. **Alimov**
Ambassador
Permanent Representative of the Republic of Tajikistan
to the United Nations

(*Signed*) H. E. Mr. Alisher V. **Vohidov**
Ambassador
Permanent Representative of the Republic of Uzbekistan
to the United Nations

2. The Heads of State, recognizing the presence of a significant unused potential to expand mutually advantageous trade and economic relations, instruct their Governments to take further practical steps to eliminate obstacles and barriers to the deepening of economic cooperation, to give a new dynamic of development to such cooperation, to increase the volume of mutual trade and mutual investments and to establish and expand direct contacts between business circles and management in the States of the region.

The Heads of State also attach great significance to the development of border trade between the States members of CAC and instruct their Governments to take measures to improve the legal bases for its further expansion and strengthening.

The Heads of State noted the need to determine in the near future priority projects for practical concerted action in the transport and energy sectors, including in such areas as the construction and reconstruction of transport communications and power facilities, their joint exploitation and the extraction and transportation of energy resources, and other areas of mutual interest.

The Heads of State, emphasizing the great importance for the economic development of the States of the region of the stable functioning and rational exploitation of transport communications, noted the need for strict compliance with earlier agreements relating to international automobile and rail transportation and the importance of conducting an agreed tariff and customs policy in respect of all forms of transportation.

3. The Heads of State, with a view to a comprehensive discussion of current and long-term issues of economic development in Central Asia, reached agreement on the holding of a business forum of business circles and entrepreneurs in Tashkent in November 2002.

4. The Heads of State consider it expedient to hold a meeting of parliamentarians of the member countries of CAC in Tashkent before the end of the current year. The agenda and date of the interparliamentary meeting will be agreed upon in the prescribed manner.

5. The Heads of State emphasize the need for increased cooperation in the area of the protection and enhancement of the environment, the prevention of transboundary pollution, and the prevention of natural and technogenic disasters in the States of the region and the elimination of their consequences.

The Heads of State, with a view to the further improvement of the mechanism of the inter-State use of transboundary water resources, again reaffirm the need for coordinated and concerted action in that area on the basis of the generally recognized principles and rules of international law, taking into account the interests of all the peoples of the region.

To this end, they have instructed their Governments to work out, at the expert level, a draft agreement between the Republic of Kazakhstan, the Kyrgyz Republic, the Republic of Tajikistan and the Republic of Uzbekistan on the creation of an international water and energy consortium, prepared by Kazakhstan.

The Heads of State, having considered questions relating to joint efforts to resolve the problems of the Aral Sea area, state that concerted action within the

framework of the International Fund to Save the Aral Sea (IFAS) is in the fundamental and vital interests of the peoples of the States members of CAC.

6. The Heads of State intend to continue to support efforts to develop concerted action in the cultural and humanitarian sphere, which would promote the expansion and deepening of friendly and good-neighbourly relations between the States and between the peoples of the region.

The Heads of State note the importance of further mutual cultural exchanges and exchanges of information, including the rapid settlement of questions relating to the organization of broadcasts of their countries' television and radio programmes to the territory of States of the region, and in this connection they emphasize the need to respect the demands of national legislation, national traditions, philosophy and lifestyle, and the social and humanitarian values of the peoples of the region.

7. The Heads of State emphasized the importance of the speedy completion, on the basis of the rules and principles of international law, of the process of the legal establishment of the State border lines between their States as a basic element of the sovereignty and independence of States.

The Heads of State will make active efforts to ensure that they have established the boundaries of peace and friendship uniting the peoples of the region.

8. The Heads of State reiterate their full support for the efforts of the world community to counter international terrorism and extremism, illegal trafficking in drugs and other manifestations of transnational organized crime.

9. The Heads of State believe that security and stability, economic prosperity and the further democratic development of the States of the region are closely linked to the eradication of terrorist activities in Afghanistan and the elimination of the conditions conducive to their renewal.

The Parties express support for the Government of Afghanistan headed by H. Karzai and for the efforts of the international counter-terrorist coalition and the United Nations to achieve a comprehensive Afghan settlement, and they express their readiness to offer their active cooperation in bringing that country into the international processes in the region.

10. The Heads of State instruct the Governments of their countries to take further measures to coordinate the activities of the countries of the Central Asian region in connection with the implementation of projects designed to bring about the renewal of the Afghan economy within the framework of the programme envisaged at the Tokyo Conference on post-war reconstruction assistance to Afghanistan.

The Governments of the member countries of CAC are requested to study these questions on the working level and to take mutually acceptable decisions.

11. The Heads of State reaffirm their commitment to the instruments adopted earlier within CAC and instruct the national coordinators to complete an inventory of the legal and treaty basis of the Central Asian Economic Community.

12. The Heads of State express their confidence that their efforts towards the creation of a more efficient and effective mechanism of mutual cooperation will also receive the full support of their peoples.

(*Signed*) N. **Nazarbaev**
President of Kazakhstan

(*Signed*) A. **Akayev**
President of Kyrgyzstan

(*Signed*) E. **Rakhmonov**
President of Tajikistan

(*Signed*) I. **Karimov**
President of Uzbekistan

Dushanbe, 5 October 2002

Annex II

[Original: Russian]

Dushanbe Declaration

The States of Central Asia, together with international organizations, are paying serious attention to the environmental and socio-economic crisis in the Aral Sea basin and are making determined efforts to overcome it and to improve the situation in the region.

The Presidents of the States of Central Asia — the Republic of Kazakhstan, the Kyrgyz Republic, the Republic of Tajikistan, Turkmenistan and the Republic of Uzbekistan,

Expressing their concern at the exacerbation of the environmental crisis in the Aral Sea basin,

Desiring to carry out the decisions adopted concerning the joint implementation of the Concrete Action Programme for the Problems of the Aral Sea and to work out a concept for the stable development of the countries of the Aral Sea basin,

Confirming the decisions adopted earlier concerning the overall utilization and protection of the water resources of the Aral Sea basin, taking into account the interests of all the countries of the region and in compliance with the principles of good-neighbourliness and mutual respect,

Noting that regional institutionalized organs have significant potential to initiate the settlement of inter-State problems relating to the protection and rational use of natural resources and, ultimately, to ease the Aral Sea crisis,

Taking into account resolution 55/196 of the General Assembly of the United Nations, which proclaimed the year 2003 as the International Year of Freshwater, and noting that that year coincides with the tenth anniversary of the establishment of the International Fund to Save the Aral Sea,

Expressing their steadfast desire, jointly and by concerted action, to overcome the consequences of the crisis and ensure environmental stability in the region,

Considering that in recent years natural disasters have become more frequent,

Acting in accordance with their responsibility to future generations and believing that, in order to achieve a radical change in the situation, linked to this planetary crisis, additional measures are required directed towards the improvement of the environmental situation in the Aral Sea basin and the solution of the problems accompanying the crisis,

Declare that we shall:

Determine the main direction to be taken in solving the problems connected with the Aral Sea crisis and improving the social and environmental situation in the region in order to establish normal living conditions for the population living in the Aral Sea basin;

Consider immediate measures to improve the social and environmental conditions and provide the population of the Aral Sea basin with clean drinking water;

Hold an international forum on clean water problems and the rational use of water resources in Dushanbe in September 2003 and have the countries of the region participate directly in its organization;

Strengthen the role of the Executive Committee of the International Fund to Save the Aral Sea in coordinating the activities of donors and attracting resources for the implementation of projects and programmes in the Aral Sea basin and of the Inter-State Commission for Water Coordination in the management and regulation of the use of transboundary waters;

Consider the critical comments of the United Nations Development Programme concerning the activities of the Executive Committee of the International Fund to Save the Aral Sea to be justified and to deserve to be taken into careful consideration by the Executive Committee in its practical work;

Examine the question of the establishment of the permanent location of the Executive Committee of the International Fund to Save the Aral Sea in one of the cities of the founding States of the Fund and take an agreed decision at the next meeting of the Heads of State of the founding members of the Fund;

Organize the implementation of a set of measures to mark the tenth anniversary of the establishment of the International Fund to Save the Aral Sea with the participation of all the countries of the region and international organizations and with the demonstration of plans, programmes and scientific and technological advances for the rational use of natural resources and the improvement of the social standard of living of the population of the countries of the region;

Speed up the elaboration of practical measures to increase the use of waters from drainage reservoirs;

Offer full support to countries stricken by natural disasters;

Create the necessary conditions for international organizations and institutes in their activities to attract resources for the implementation of projects and programmes in the Aral Sea basin;

Note the need to create a special United Nations commission to coordinate the activities of international organizations and donor countries in resolving the problems of the Aral Sea basin;

Improve the monitoring system and flow of information between countries on the condition of water resources and other natural resources with a view to the timely and correct adoption of decisions governing their rational use;

Use the results obtained in the process of drafting projects for the management of water and energy resources with a view to rational and mutually advantageous cooperation.

For the Republic of Kazakhstan:
(*Signed*) N. **Nazarbaev**

For the Kyrgyz Republic:
(*Signed*) A. **Akayev**

For the Republic of Tajikistan:
(*Signed*) E. **Rakhmonov**

For Turkmenistan:

For the Republic of Uzbekistan:
(*Signed*) I. **Karimov**

Dushanbe, 6 October 2002

United Nations A/57/615–S/2002/1260

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Security Council

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General Assembly
Fifty-seventh session
Agenda items 36 and 160

Security Council
Fifty-seventh year

The situation in the Middle East

Measures to eliminate international terrorism

Identical letters dated 15 November 2002 from the Permanent Representative of Israel to the United Nations addressed to the Secretary-General and the President of the Security Council

The Palestinian terrorist campaign continues to claim the lives of innocent civilians in criminal acts of unspeakable cruelty and hatred.

Just a few hours ago, Palestinian gunmen hurled grenades and fired automatic weapons indiscriminately at a crowd of Jewish worshippers on their way to mark the beginning of the Jewish Sabbath at the Tomb of the Patriarchs (Ma'arat Hamachpelah) in Hebron, a site holy to both Muslims and Jews. At the time of writing, this brutal terrorist attack has claimed the lives of at least 12 people, and injured approximately 20, some critically. The gunmen executed their ambush from the Abu-Sneinah neighbourhood, an area under Palestinian Authority control, and have continued firing to prevent rescue personnel from reaching the scene. The Palestinian terrorist organization Islamic Jihad, headquartered in Damascus, which is funded and supported by a number of States, including Iran, has claimed responsibility for the attack.

This gruesome attack comes just five days after a gunman from Chairman Arafat's own Fatah movement murdered five people at Kibbutz Metzer in northern Israel, including a mother and her two young sons in their beds.

These terrorist atrocities, involving the deliberate and calculated massacre of innocent children and worshippers, must shock the conscience of any decent human being. The international community, which has recently strongly condemned despicable acts of terror in other parts of the world, must be clear in its outright and unequivocal rejection of the ongoing brutal Palestinian terrorist campaign, including these most recent terrorist attacks.

What message is sent to Israeli and Palestinian civilians, and to people throughout the world by the steadfast refusal of the Palestinian Authority to take any action whatsoever to prevent terrorism, and its own encouragement and involvement

02-69704 (E) 151102

in such acts, despite explicit legal obligations and repeated calls of the Security Council, including in resolutions 1435 (2002) and 1373 (2001)? What message is sent by the relentless incitement to hatred and violence, and the glorification and celebration of such repugnant actions by the Palestinian leadership in its media and its religious and educational institutions? What choice does Israel have in the face of these criminal and intolerable acts of carnage, and in the absence of any measures of Palestinian compliance with their legal and moral obligations, but to take the necessary measures in defence of its citizens?

The only hope for peace and security in our region will come with a Palestinian leadership that is genuinely committed to complying with its obligations, and ready to prevent all acts of terrorism and incitement in accordance with its duties under international law and Security Council resolutions. Israel calls on the international community to demand nothing less of the Palestinian leadership and its security forces.

When people at prayer and women and children in their homes are viewed as the legitimate targets of attack, in the name of so-called "resistance", then the Palestinian cause has reached a point of moral bankruptcy, which can destroy any hopes of peace, for Israelis and Palestinians alike. This bankruptcy remains the greatest obstacle to a return to a path of peaceful negotiations, which is the only way to ensure secure, peaceful and dignified coexistence for both peoples in accordance with Security Council resolutions 242 (1967) and 338 (1973) and 1397 (2002).

I submit the present letter in follow-up to numerous letters detailing the campaign of Palestinian terrorism that began in September 2000.

I should be grateful if you would arrange to have the text of the present letter circulated as a document of the fifty-seventh session of the General Assembly, under agenda items 36 and 160. An identical letter has been sent to the President of the Security Council.

(*Signed*) Yehuda **Lancry**
Permanent Representative

United Nations A/57/616

General Assembly

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18 November 2002

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Fifty-seventh session
Agenda item 112
Programme budget for the biennium 2002-2003

First performance report on the programme budget for the biennium 2002-2003

Report of the Secretary-General*

Summary

The present report identifies adjustments required to the level of appropriations as a result of variations in costing parameters assumed at the time of the initial appropriation, unforeseen and extraordinary items and additional mandates that are best dealt with in the context of the present report under the arrangements endorsed by the General Assembly at its thirty-second session.

The revised requirements under the expenditure sections amount to $2,914.4 million, an increase of $215.1 million vis-à-vis the appropriation level approved in June 2002 (or $289.2 million more than the initial appropriation in December 2001). The revised estimate under the income sections amount to $417 million, an increase of $7.0 million. Consequently, net requirements amount to $2,497.4 million, an increase of $208.1 million.

* The present report is being issued as scheduled to best reflect data availability.

02-70039 (E) 221102

I. Introduction

1. The primary purpose of the first performance report, which is submitted in the first year of the biennium, is to identify adjustments required because of variations in the rates of inflation and exchange and in standards assumed in the calculation of the initial appropriations. This is in conformity with the recommendation of the Advisory Committee on Administrative and Budgetary Questions,[1] endorsed by the General Assembly at its thirty-second session.

2. The performance report also takes into account the additional mandates that the General Assembly and the Security Council have approved after the appropriation of the programme budget, unforeseen and extraordinary items that could not be deferred to the second year of the biennium and decisions of policy-making organs that are best dealt with in the context of the present report.

3. Increased net requirements of $208.1 million are presented as follows:

Resolutions 56/254 A and B, 56/274 B, 56/286	*Appropriation*	*Revised estimates*	*Increase/decrease*	
	(Thousands of United States dollars)			*(Percentage)*
Expenditure	2 699 267.8	2 914 407.8	215 140.0	8.0
Income	410 036.1	417 027.8	6 991.7	1.7
Net requirements	2 289 231.7	2 497 380.0	208 148.3	9.1

4. An explanation of the variations in the costing parameters assumed in the calculation of the initial appropriations is provided in paragraphs 26 to 42 below. In addition, the schedules and annexes listed below provide the costing parameters used in the initial appropriation, the proposed revisions for the biennium 2002-2003 and their effect on budget sections, duty stations and major objects of expenditure:

(a) Schedule 1 contains the rates of exchange and inflation used in the initial appropriations for the biennium 2002-2003 and the rates now proposed in the present report;

(b) Schedule 2 contains information on the post adjustment multipliers used to calculate salaries for staff in the Professional and higher categories in the initial appropriation, the actual post adjustment multipliers for 2002, as promulgated by the International Civil Service Commission (ICSC), and the revised rates now proposed for 2003;

(c) Schedule 3 contains the actual United Nations operational rates of exchange in effect for the first 11 months of 2002;

(d) Schedule 4 contains information on cost-of-living adjustments for staff in the General Service and related categories assumed in calculating the initial appropriation for the biennium 2002-2003, the adjustments actually effected in 2002 and revised assumptions for 2003;

(e) Annex I.A contains estimated additional requirements by section, subsection and main determining factor;

[1] See *Official Records of the General Assembly, Thirty-second Session, Supplement No. 8* (A/32/8).

(f) Annex I.B contains estimated additional requirements by duty station and main determining factor;

(g) Annex II contains the distribution of estimated increases or decreases in requirements by section and main object of expenditure;

(h) Annex III contains total estimated additional requirements for jointly financed activities and inter-organizational measures by main determining factor;

(i) Annex IV contains an explanation of changes for income section 3, Services to the public;

(j) Annex V contains information on the use of Department of General Assembly and Conference Management resources in the biennium 2002-2003;

(k) Annex VI contains the status of work in implementation of measures to strengthen the security and safety of United Nations premises;

(l) Annex VII contains the status of expenditure incurred under the regular budget for the biennium 2002-2003 as at 30 September 2002.

II. Expenditure sections

5. The changes required as a result of the factors mentioned above would yield an increase of $215,140,000 for a total of $2,914,407,800. Details are as follows:

	(Thousands of United States dollars)	
Initial appropriation (General Assembly resolution 56/254 A)	2 625 178.7	24 December 2001
Additional appropriation (General Assembly resolution 56/274 B)	14 728.9	27 June 2002
Additional appropriation (General Assembly resolution 56/286)	59 360.2	27 June 2002
Programme budget appropriation	2 699 267.8	
(a) Unforeseen and extraordinary expenses	12 872.3	(In respect of peace and security, the International Court of Justice and inter-organizational security measures in accordance with resolution 56/256)
(b) Decisions of policy-making organs, including special political missions	88 969.9	
(c) Variations in budgetary assumptions		
Changes in exchange rates	33 764.2	(Based on United Nations operational rates of exchange)
Changes in inflation assumptions	28 028.7	(Based on consumer price indices, post adjustment multipliers promulgated and actual versus budgeted cost-of-living adjustments)

	(Thousands of United States dollars)	
Adjustments to standard salary costs		(Based on analysis of actual payroll data, common staff costs, and staff assessment provisions consequent upon consolidation of post adjustment)
Vacancies	20 411.6	(Based on realized vacancy rates)
ICSC recommendation on net remuneration	26 676.8	
Revised total	**2 914 407.8**	

6. In the context of the current session of the General Assembly, the Secretary-General has also issued, or is about to issue, revised estimates and statements of programme budget implications in response to draft resolutions considered by the Main Committees. These amounts are being handled outside the first performance report but will impact the level of the revised appropriation. These are summarized as follows:

(a)	Charges to be made against the contingency fund	$1.5 million
(b)	Programme budget implications relating to three special political missions mandated by the General Assembly	$13.1 million
	Approximate total	**$14.6 million**

Should these predicted changes be made, the most likely level of requirements for financing a revised appropriation for the biennium 2002-2003 would be approximately $2.929 million and would include the above items, plus the performance report requirements.

A. Unforeseen and extraordinary expenses (increase: $12,872,300)

7. Under the terms of General Assembly resolution 56/256 of 24 December 2001, the Secretary-General is authorized, with the prior concurrence of the Advisory Committee on Administrative and Budgetary Questions, to enter into commitments to meet unforeseen and extraordinary expenses, provided that the concurrence of the Advisory Committee shall not be necessary for such commitments, not exceeding a total of $8 million in any one year, as the Secretary-General certifies relate to the maintenance of peace and security, such commitments as the President of the International Court of Justice certifies relate to expenses occasioned by a number of situations in the Court as prescribed in paragraph 1 (b) of resolution 56/256 and such commitments, not exceeding a total of $500,000 as the Secretary-General certifies are required for inter-organizational security measures.

8. Under the provisions of the resolution, commitments in the amount of $12,872,300 have been entered into, as follows:

(a) Certified by the Secretary-General as relating to the maintenance of peace and security ($4,448,300);

(b) Commitments concurred by the Advisory Committee ($8,086,400);

(c) Certified by the President of the International Court of Justice as relating to unforeseen expenses in respect of the Court ($329,300);

(d) Commitments for inter-organizational security measures ($8,300).

9. These expenses relate to budget sections 3, 7, and 30, as follows:

(a) Certified by the Secretary-General as relating to the maintenance of peace and security ($4,448,300)

Section 3. Political affairs ($4,448,300)

	United States dollars
a. Independent Commission on the question of political prisoners and prison conditions in Burundi	54 400
b. Technical assessment mission to Angola	334 900
c. Border controversy between Guyana and Venezuela	23 300
d. Assessment mission to the Occupied Territories	86 800
e. United Nations Office in Angola (S/2002/412 and S/2002/769)	2 160 300
f. Panel of Experts on Liberia (Security Council resolutions 1395 (2002) and 1408 (2002))	380 700
g. Fact-finding mission to the Jenin refugee camp (Security Council resolution 1405 (2002))	217 100
h. Team of experts in preparation for the establishment of a Panel of Experts regarding Somalia (Security Council resolution 1407 (2002))	57 800
i. Special Envoy of the Secretary-General for the Inter-Congolese Dialogue (S/2002/619 and S/PRST/2002/19)	426 100
j. Panel of Experts on Somalia (Security Council resolution 1425 (2002))	706 900
Total	**4 448 300**

(b) Commitments concurred by the Advisory Committee on Administrative and Budgetary Questions ($8,086,400)

Section 3. Political affairs ($8,022,400)

	United States dollars
United Nations Mission in Angola	8 022 400

Section 7. International Court of Justice ($64,000)

	United States dollars
Designation of ad hoc judges for the case concerning the Land and Maritime Boundary between Cameroon and Nigeria (Cameroon v. Nigeria: Equatorial Guinea intervening)	64 000

This latter requirement was also certified by the President of the International Court of Justice as relating to unforeseen expenses of the Court. However, it could not be classified under that heading, as the authority to charge such amounts under the

signature of the President consistent with the provisions of paragraph 1 (b) of General Assembly resolution 56/256 would have been exhausted. Hence, the requirement has been submitted to the Advisory Committee to act under its own authority under the same resolution;

(c) Certified by the President of the International Court of Justice as relating to unforeseen expenses relating to the Court

Section 7. International Court of Justice ($329,300)

Pursuant to the provisions of paragraph 1 (b) (i) and (iv) of General Assembly resolution 56/256 on unforeseen and extraordinary expenses for the biennium 2002-2003, and in accordance with the Statute of the International Court of Justice and General Assembly resolution 48/252 of 26 May 1994, additional requirements arose in 2002 with respect to the designation of ad hoc judges for the following cases:

	United States dollars
a. Legality of use of force (Yugoslavia v. Italy)	1 100
b. Application of the Convention on the Punishment of the Crime of Genocide (Bosnia and Herzegovina v. Yugoslavia)	6 200
c. Land and Maritime Boundary between Cameroon and Nigeria (Cameroon v. Nigeria: Equatorial Guinea intervening)	100 600
d. Legality of use of force (Yugoslavia v. United Kingdom)	1 900
e. Legality of use of force (Yugoslavia v. Belgium)	4 700
f. Legality of use of force (Yugoslavia v. Canada)	6 600
g. Application of the Convention on the Punishment of the Crime of Genocide (Croatia v. Yugoslavia)	17 500
h. Legality of use of force (Yugoslavia v. Germany)	2 500
i. Legality of use of force (Yugoslavia v. Netherlands)	3 000
j. Legality of use of force (Yugoslavia v. Portugal)	1 400
k. Arrest Warrant of 11 April 2000 (Democratic Republic of the Congo v. Belgium)	64 700
l. Armed activities on the territory of the Congo (New Application: 2002) (Democratic Republic of the Congo v. Rwanda)	21 100
m. Legality of use of force (Yugoslavia v. France)	800
n. Sovereignty over Pulau Ligitan and Pulau Sipadan (Indonesia/Malaysia)	95 000
o. Armed activities on the territory of the Congo (New Application: 2002) (Democratic Republic of the Congo v. Rwanda)	2 200
Total	**329 300**

(d) Commitments for inter-organizational security measures

Section 30. Special expenses ($8,300)

In accordance with section IV of General Assembly resolution 36/235 of 18 December 1981 and resolution 56/256, commitments were entered into for inter-organizational measures, consisting of the United Nations share for the cost of

chartering aircraft to evacuate staff from the Central African Republic in October 2002.

B. Decisions of policy-making organs (increase: $88,969,900)

10. This component reflects: direct requirements for special political missions established by Security Council mandates; conference-servicing support requirements for the Counter-Terrorism Committee; and the net effect of General Assembly resolutions 56/254 D, 56/266 and 56/272, all of 27 March 2002, concerning the follow-up to the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance and adjustment to the level of honorariums, respectively. The amounts involved are as follows:

(Thousands of United States dollars)

(a)	Special political missions	77 211.2
(b)	Support of the Counter-Terrorism Committee	11 143.2
(c)	General Assembly resolutions 56/254 D, 56/266 and 56/272	615.5
	Total	**88 969.9**

(a) Additional provision for special political missions ($77,211,200)

Section 3
Political affairs

Section 32
Staff assessment

11. A report has been submitted separately on estimates in respect of matters of which the Security Council is seized (A/C.5/57/23), in the context of actions taken, or expected to be taken, by the Security Council regarding good offices, preventive diplomacy and post-conflict peace-building missions. The report contains the proposed resource requirements of 19 political missions pertaining to matters of which the Security Council is seized for the period up to December 2003, the mandates of which extend, or are expected to be extended, into 2003. Should the General Assembly approve the additional amount being sought in respect of these estimates, the appropriation under section 3, Political affairs would be increased by $69,028,100. Increased requirements for staff assessment under section 32, which amount to $8,183,100 would be matched by an equivalent increase in the amount of income under income section 1, Income from staff assessment. The financial requirements arising from the extension of existing special political missions are presented here to permit the Assembly to consider revisions to the appropriation on a comprehensive basis.

(b) Conference and support services extended to the Counter-Terrorism Committee in implementation of Security Council resolution 1373 (2001) ($11,143,200)

Section 2
General Assembly affairs and conference services

Section 27D
Office of Central Support Services

12. By its resolution 56/288 of 27 June 2002, the General Assembly requested the Secretary-General to report to the Assembly at the main part of its fifty-seventh session on the expenditures as well as programmatic impacts incurred in supporting the Counter-Terrorism Committee. It may be recalled that an initial request for $7.5 million had been estimated by the Secretariat as the requirement for servicing the Counter-Terrorism Committee for the calendar year 2002. The General Assembly decided to consider requirements necessary for the conference and support servicing of the Counter-Terrorism Committee in the context of the first performance report at its fifty-seventh session.

13. Following the decisions taken by the General Assembly, the Secretariat has temporarily redeployed second-year resources to the first year of the biennium to ensure the provision of uninterrupted conference and support services to the programme of activities of the Counter-Terrorism Committee, so as to minimize any adverse effect on other conference services programmed for the year 2002.

14. The actual workload of the Counter-Terrorism Committee for the period from 1 January to 30 September 2002 is detailed in the table below:

	Number of meetings held	*Number of reports and other documents of the Counter-Terrorism Committee translated*	*Number of translated pages*	*Number of meetings with summary records*
January 2002	7	34	703	4
February 2002	16	29	623	3
March 2002	14	35	538	2
April 2002	12	62	634	3
May 2002	8	52	228	4
June 2002	7	35	177	2
July 2002	7	24	250	3
August 2002	4	64	484	-
September 2002	4	56	472	2
Total	**79**	**392**	**4 109**	**23**

15. Based on the Committee's actual workload for the first nine months of 2002 and the projected workload for the remaining three months of 2002, and also taking into account the utilization parameters detailed in document A/C.5/56/42, it is estimated that the total revised conference-servicing requirements of the Counter-Terrorism Committee for 2002 would amount to $5,188,200. The related support services requirements would amount to $292,200.

16. With regard to the Committee's requirements for conference and support services in 2003, it should be noted that, at the time of its review of the implementation of its resolution 1373 (2001), the Security Council expressed its intention to review again the structure and activities of the Counter-Terrorism Committee no later than 4 April 2003 (see S/PRST/2002/26).

17. Based on the average monthly workload of the Committee for the period from January to September 2002, it has been estimated that the additional requirements for conference and support services for the Committee for the period from January to March 2003 would amount to $1,343,700 and $72,000, respectively. It is understood that in all likelihood the Committee will continue to meet throughout the rest of 2003. On that understanding and on the assumption that the activities of the Committee would continue for the period from April to December 2003 at a level comparable to that estimated for the first three months of 2003, the additional resources for the period from April to December 2003 would amount to $4,247,100, including $4,031,100 for the Department of General Assembly and Conference Management, under section 2, and $216,000 for the Office of Central Support Services, under section 27D, of the programme budget for the biennium 2002-2003.

18. The total resource requirements for the Counter-Terrorism Committee estimated for the biennium 2002-2003 are summarized as follows (in United States dollars):

	Year 2002	*January-March 2003*	*April-December 2003*	*Total 2002-2003*
Conference-servicing requirements (section 2)	5 188 200	1 343 700	4 031 100	10 563 000
Support services requirements (section 27D)	292 200	72 000	216 000	580 200
Total	**5 480 400**	**1 415 700**	**4 247 100**	**11 143 200**

19. As regards the Office of Central Support Services, the current level of its budget cannot accommodate the costs of the support services for the Committee. On that basis, the meetings and documentation requirements, as well as the support services requirements, of the Counter-Terrorism Committee cannot be met from the existing appropriation under sections 2 and 27D. Further background information concerning the use of resources of the Department of General Assembly and Conference Management is provided in annex V. An additional appropriation would be required, in the amount of $11,143,200, to support the meeting requirements of the Committee until 31 December 2003, as indicated below:

Section 2	General Assembly affairs and conference services	$10 563 000
Section 27D	Office of Central Support Services	$580 200
Total		**$11 143 200**

(c) Net impact of General Assembly resolutions 56/254 D, 56/266 and 56/272 ($615,500)

(i) Comprehensive implementation of follow-up to the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance ($670,700)

Section 22
Human rights

Section 32
Staff assessment

20. At its meeting on 15 March 2002, the Fifth Committee decided to inform the General Assembly that the implementation of resolution 56/266 would give rise to additional expenditures under section 22, Human rights and section 32, Staff assessment. The Committee recommended that the General Assembly authorize the Secretary-General to enter into commitments not exceeding $566,800 under section 22 and $103,900 under section 32, on the understanding that the Secretary-General would report to the General Assembly at its fifty-seventh session on the actual requirements, and that those requirements would be dealt with by the Assembly in accordance with established procedure. In the light of experience gained to date in implementing the resolution, it is confirmed that those amounts would be fully utilized during the biennium 2002-2003. Accordingly, the related appropriations are requested under section 22, Human rights and section 32, Staff assessment.

(ii) Comprehensive study on the question of honorariums payable to members of organs and subsidiary organs of the United Nations (decrease: $55,200)

Section 8
Legal affairs

Section 9
Economic and social affairs

Section 15
International drug control

Section 22
Human rights

Section 27D
Office of Central Support Services

21. In its resolution 56/272, the General Assembly decided, with effect from 6 April 2002, to set at a level of one United States dollar per year all honorariums payable on an exceptional basis to the members of the International Law Commission, the International Narcotics Control Board, the United Nations Administrative Tribunal, the Human Rights Committee, the Committee on the Elimination of Discrimination against Women and the Committee on the Rights of the Child. The Assembly also requested the Secretary-General to report on the appropriation adjustments required as a consequence of resolution 56/272 and the

related transfers in respect of the provision of Internet services as set out in paragraph 5 of resolution 56/254 D, in the context of the first performance report on the programme budget for the biennium 2002-2003.

22. In resolution 56/254 D, the General Assembly requested the Secretary-General to restore immediately Internet services, including web hosting, email and support services, to permanent missions, utilizing the resources released as a result of resolution 56/272, and to reflect the necessary transfers among sections of the budget in the context of the first performance report on the programme budget for the biennium 2002-2003.

23. As a result of the adjustment to the level of honorariums payable as set out in resolution 56/272, reduced requirements totalling $527,200 are reflected; under section 8, Legal affairs ($285,000), section 9, Economic and social affairs ($87,500), section 15, International drug control ($42,900) and section 22, Human rights ($111,800). The utilization of resources released as a result of resolution 56/272 to restore Internet services, as requested by the General Assembly in resolution 56/254 D, has resulted in increased requirements of $472,000 under section 27D, Office of Central Support Services. The necessary transfers, resulting in a net reduction in appropriations of $55,200, are outlined below.

(United States dollars)

	Initial appropriation	*Retained appropriation*	*Change*
Adjustment to the level of honorariums			
Section 8. Legal affairs			
International Law Commission	238 000	2 700	(235 300)
United Nations Administrative Tribunal	49 900	200	(49 700)
Section 9. Economic and social affairs			
Committee on the Elimination of Discrimination against Women	158 600	71 100	(87 500)
Section 14. International drug control			
International Narcotics Control Board	86 000	43 100	(42 900)
Section 22. Human rights			
Human Rights Committee	112 000	56 100	(55 900)
Committee on the Rights of the Child	112 000	56 100	(55 900)
	756 500	**229 300**	**(527 200)**
Restoration of Internet services			
Section 27D. Office of Central Support Services			
Technicians for network and Help Desk functions, line costs, maintenance costs for routers, remote access and web servers			472 000
Total net adjustment			**(55 200)**

President of the Economic and Social Council

Section 1
Overall policy-making, direction and coordination

24. The Economic and Social Council, in its decision 2002/219 of 30 April 2002, decided to authorize the President of the Council to hold consultations with concerned United Nations agencies, funds and programmes in Rome, Paris, Vienna and Geneva, in order to enhance collaboration and coordination among those entities in the Council. The related travel and subsistence costs are estimated at $13,000 and have been absorbed utilizing savings resulting from the Committee for Programme and Coordination limiting itself to a single session in 2002. Consequently, no additional appropriation is requested in respect of this decision in the present report.

Follow-up to the International Year of Older Persons: Second World Assembly on Ageing

Section 26
Public information

25. The General Assembly, in its resolution 56/228 of 24 December 2001, invited the Department of Public Information to continue, in cooperation with the Department of Economic and Social Affairs and the host country, the information campaign for the Second World Assembly. The related programme budget implications were estimated to amount to $195,000 (A/C.5/56/15). At its meeting on 24 December 2001, the Fifth Committee decided to inform the General Assembly that the additional appropriation as may be required under section 26 would be considered by the General Assembly in the context of the first budget performance report for the biennium 2002-2003. Expenditures for public information activities for the Second World Assembly on Ageing, held in April 2002, amounted to $149,500. No additional appropriation is requested at this stage. Any additional appropriation that may be required in connection with these activities would be reported in the context of the second performance report, at which time it will be possible to determine more definitively whether the additional expenditure of $149,500 has been absorbed within the overall appropriation of section 26, Public information ($144.7 million).

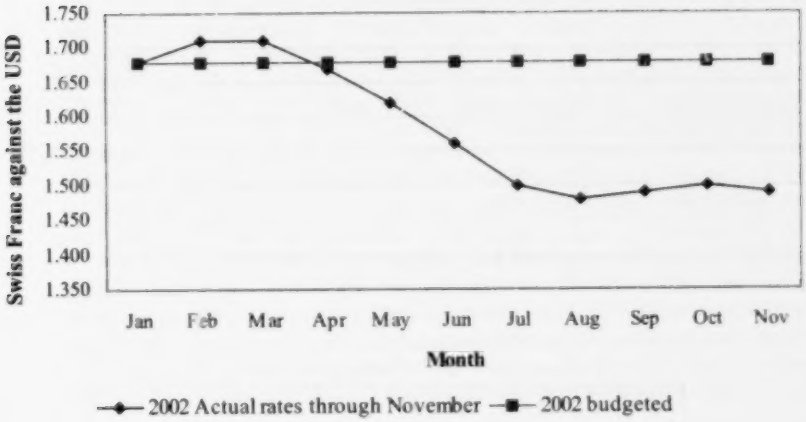
C. Changes in exchange rates (increase: $33,764,200)

26. The basis for recosting can be either the average operational rates of exchange experienced thus far in the biennium (the averaging method) or the operational rates in effect at the time of recosting (the latest rate). It will be recalled that, in its report for the biennium ending 31 December 1995, the Board of Auditors had recommended that budgetary assumptions relating to operational exchange rates be based on an averaging method instead of the latest available exchange rates. The Secretary-General had indicated that it would not be advisable to predetermine whether the averaging method or the latest month should be used for budget forecasting and recosting and that such a decision should be taken at the time of each recosting. This was reported to the General Assembly and agreed to by the Advisory Committee on Administrative and Budgetary Questions (A/51/7/Add.6, para. 5), which indicated that the Secretary-General should use such rates as would

allow for the lowest estimates. In the present performance report, the realized exchange rate from January to November 2002 has been applied to 2002 and the November rate applied to December 2002. For 2003, either the average operational rates of exchange experienced thus far in the biennium (the averaging method) or the November rate (the latest rate) has been applied for each duty station, so as to allow for the lowest estimate for each duty station in respect of requirements for the related currency. Adjustments resulting from actual experience in 2003 would be implemented in the second performance report.

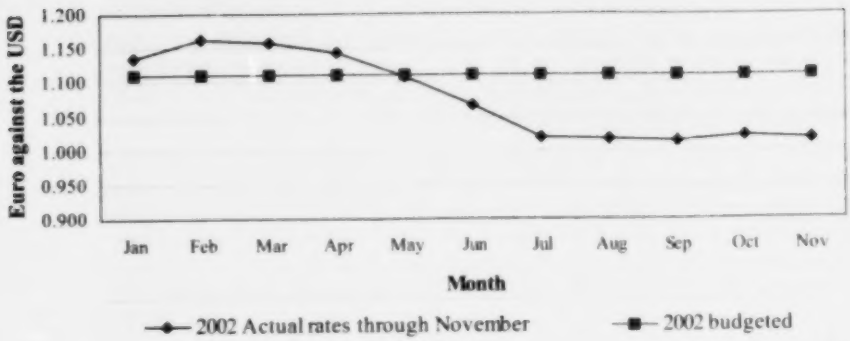
27. The increase of $33.8 million reflects the general weakening in a number of operational rates experienced during the year to date, as compared to those foreseen in the initial appropriations. The average rate experienced for 2002 based on January to November actuals in respect of the Swiss franc was 1.58 to the dollar, compared with an assumption of 1.68 used in the initial appropriations. For 2003, the average rate of 1.58 experienced for 2002 has been used in the performance report. This change has resulted in an increased requirement of $32.4 million. The graph below reflects the experience of the Swiss franc during the period from January to November 2002.

Performance of the Swiss Franc against the United States dollar



28. With respect to the euro, the realized 2002 average is 1.07, compared with an assumption of 1.11 used in the initial appropriation. For 2003, the realized 2002 average of 1.07 has been used in the performance report, which has resulted in an increase of $3.3 million. The graph below reflects the experience of the euro during the period from January to November 2002.

Performance of the euro against the United States dollar



29. In addition to the adjustments required for the Swiss franc and the euro, increased requirements of $2 million relate to the Thai baht, while a net reduction of approximately $3.9 million applies to other currencies. Details regarding operational rates at all duty stations are included in schedules 1 and 3. These schedules provide the actual operational rates through November 2002, the rate used in the initial appropriation and the rate used in this report. As stated in paragraph 26, adjustments resulting from actual experience in 2003 will be reflected in the second performance report. Should the November 2002 exchange rates prevail through the end of 2003, an additional exchange rate adjustment of approximately $18 million would be required in second performance report.

D. Inflation (increase: $28,028,700)

30. Schedules 1, 2 and 4 contain revised inflation rates that affect all objects of expenditure. These are based on promulgated post adjustment multipliers and the latest available information on consumer price indices and actual versus budgeted cost-of-living adjustments. While the rates applicable to non-post objects of expenditure reflect a number of revisions downward, post adjustment multipliers show significant increases for a number of locations.

31. With regard to non-post objects of expenditure, the revised rates are generally slightly lower than had been initially foreseen. The most significant exception relates to increased inflationary costs with respect to after-service health insurance and general insurance. These costs are reflected under section 30, Special expenses. Medical insurance premiums reflect a 15 per cent increase on average than foreseen at a time of preparation of the proposed programme budget for the biennium 2002-2003, given the prevailing market conditions in the insurance industry. It is estimated that additional requirements stemming from the medical insurance premium increases will amount to $3.4 million for the biennium 2002-2003. Under general insurance, following the events of 11 September 2001, the evolving insurance market conditions have led to a significant increase in premiums in connection with air travel under the terms of the contract with a provider. It is

estimated that additional requirements for general insurance amounts to $0.7 million for the biennium 2002-2003. A net decrease in requirements of $1 million relates to all non-post objects of expenditure.

32. Revised post adjustment multipliers used in the present report reflect significant upward inflationary movement at several duty stations, as a result of a series of place-to-place cost-of-living surveys carried out or implemented subsequent to the approval of the programme budget for the biennium 2002-2003 in December 2001. The results of those surveys are detailed below:

(a) In November 2001, a cost-of-living survey carried out in Addis Ababa, resulted in a multiplier movement from 1.7 to 10, to be implemented effective 1 April 2002;

(b) In February 2002, cost-of-living surveys carried out resulted in multiplier movements for The Hague (0.8 to 12.7, effective June 2002), Beirut (28.1 to 32.1, effective May 2002) and for duty stations at Gaza, the United Nations Truce Supervision Organization (UNTSO) and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) (2.8 to 20.4, effective June 2002);

(c) In April 2002, cost-of-living surveys carried out resulted in multiplier movements for Santiago (0 to 4.6, effective September 2002) and Bangkok (0 to 8.2, effective 1 August 2002);

(d) In June 2002, a cost-of-living survey carried out in Nairobi resulted in a multiplier movement from 3.8 to 8, effective 1 October 2002.

Post adjustment multipliers applicable to the Professional and higher categories for all duty stations are contained in schedule 2. The actual monthly multipliers shown in schedule 2 reflect the effect of the consolidation of 3.87 multiplier points effective 1 March 2002, as promulgated. As a result, rates reflected in schedule 2 for the period from March to December 2002 would need to be adjusted upward by 3.87 multiplier points to allow for a similar assessment of the actual variance between realized and initially budgeted multipliers. The recommendations of the International Civil Service Commission with regard to conditions of service of staff in the General Service and related categories in Geneva and Vienna have also been taken into account in the present report. As a result of these significant cost-of-living adjustments, related additional requirements for inflation amount to $29 million, including $4.9 million for New York, $4 million for Addis Ababa and $10 million for the duty stations in Gaza, UNTSO, and UNRWA.

33. The total additional appropriation arising from inflationary pressure across all objects of expenditure amounts to $28,028,700.

E. Adjustments to standard costs (increase: $4,416,500)

34. Adjustments to standard costs reflect the net effect of changes in salary standard costs, common staff costs, vacancy rates and staff assessment rates. Revisions to standard salary costs for 2002 are based on the actual averages experienced thus far in the biennium, by category and level, at each duty station. Projections for 2003 are based on the trends experienced in 2002. A net decrease of

$5.2 million reflects average net base salary costs that are lower than had been projected in the initial appropriation.

35. Common staff costs are budgeted as a percentage of net salaries for each duty station. Expenditures under common staff costs relate to allowances and benefits, appointments, transfers and separation of staff. These relate to actual payroll experience for all duty stations during the period from 2000 to 2001. Recommendations of the International Civil Service Commission with regard to the mobility and hardship scheme, separation payments, hazard pay and education grant have been absorbed within these overall adjustments, consistent with established practice in this regard. A net increase of $9.6 million relating to adjustments to the rates of common staff costs with respect to all duty stations is anticipated.

36. The adjustments to standards indicated above include staff assessment changes resulting in a decrease in expenditures of $158,800, offset by an equivalent decrease in related income from staff assessment incorporated within the changes shown under income section 1.

F. Vacancy (increase: $20,411,600)

37. In setting the vacancy rates applicable to the budget for the biennium 2002-2003, the General Assembly, in paragraph 56 of resolution 56/253 of 24 December 2001, noted that, should realized vacancy rates be lower than those budgeted, additional resources would be provided, if required, in the first or second performance report, so as to preclude the need for any constraint in recruitment of staff. Accordingly, the required adjustments to standards for vacancy rates are outlined below and result in increased requirements of $20.4 million, of which $3.4 million is related to staff assessment.

38. In its resolution 56/253, the General Assembly decided that an average vacancy rate of 6.5 per cent for staff in the Professional and higher categories should be used as a basis for the calculation of the budget for the biennium 2002-2003. The application of this rate to continuing posts, together with the 50 per cent vacancy rate applied to new posts, results in an effective budgeted rate of 7.9 per cent for the Professional and higher categories. While the average vacancy rate for the biennium can only be known at the end of the biennium, the 2002 realized level of vacancies experienced is 7.4 per cent for staff in the Professional and higher categories. The experience of previous bienniums shows that a further reduction in vacancy rates realized is to be expected over the course of the second year of the biennium. Conservatively, adjustments to standards at this stage reflect an amount of $4.9 million for the realized 2002 vacancy rate and an amount of $5.2 million for a similar adjustment for 2003, assuming that the same level of vacancies would be realized in 2003 as in 2002 and that there would be no further reduction in the realized level of vacancies during the remainder of the biennium.

39. With regard to the General Service and related categories, in the same resolution, the General Assembly decided that an average vacancy rate of 3.1 per cent should be used as a basis for the calculation of the budget for the biennium 2002-2003. The application of this rate to continuing posts, together with the 35 per cent vacancy rate applied to new posts, resulted in an effective budgeted rate of 4.2 per cent for the General Service and related categories. To date, the 2002 realized level of vacancies experienced thus far is 2.7 per cent for staff in the General

Service and related categories. Adjustments to standards for the General Service and related categories reflect an amount of $5 million for the realized 2002 vacancy rate, and an amount of $5.3 million for a similar adjustment for 2003, assuming that the same level of vacancies would be realized in 2003 as in 2002 and that there would be no further reduction in the realized level of vacancies during the remainder of the biennium.

40. The adjustments to vacancies indicated above include staff assessment changes resulting in an increase in expenditures of $3.4 million, offset by an equivalent increase in related income from staff assessment incorporated within the changes shown under income section 1.

G. International Civil Service Commission recommendation on net remuneration (increase: $26,676,800)

41. The financial implications of decisions and recommendations of the International Civil Service Commission, set out in its twenty-eighth annual report,[2] have been taken into consideration in the adjustment to standards in the present report in accordance with established practice. These financial implications were outlined in the statement submitted by the Secretary-General (A/57/450) detailing the administrative and financial implications of the decisions and recommendations of the International Civil Service Commission on the common system, and in particular their implications for the programme budget of the United Nations for the biennium 2002-2003. The recommendations relating to conditions of employment for General Service and related categories, the mobility and hardship scheme, separation payments, hazard pay and education grant are dealt with separately under previous paragraphs on inflation and adjustment to standards.

42. With regard to the conditions of service of staff in the Professional and higher categories, the Commission decided to recommend to the General Assembly, for implementation on 1 March 2003, a differentiated real increase of the base/floor salary scale to address the low level of margin at the upper grades of the scale and to restore the overall level of the margin to the desirable midpoint. In the Secretary-General's statement (A/57/450), the financial implications of this recommendation for the United Nations regular budget for a 10-month period (1 March to 31 December 2003), was estimated at $19,779,100, net of staff assessment of $4,627,800. The present report revises the calculation of that amount to reflect the application of the differential real increase, taking into account revisions to standards, including exchange rates and vacancy rates, utilized in the first performance report. The financial implications of the implementation of the Commission's recommendation effective 1 March 2003 amount to $21,984,100. The increased requirements for staff assessment under section 32, which amount to $4,692,700, would be matched by an equivalent increase in the amount of income under income section 1, Income from staff assessment.

[2] *Official Records of the General Assembly, Fifty-seventh Session, Supplement No. 30* (A/57/30).

H. Other issues

43. Included hereunder are specific issues in response to resolutions of the General Assembly or matters raised in accordance with procedures previously approved by the Assembly.

Progress report on the implementation of measures to strengthen the security and safety of United Nations premises

44. By its resolution 56/286, the General Assembly decided to appropriate an amount of $57,785,300 for the biennium 2002-2003 for the implementation of the measures contained in the report of the Secretary-General on strengthening the security and safety of United Nations premises (A/56/848). The Assembly requested the Secretary-General to report on the progress in the implementation of those measures at the main part of its fifty-seventh session. The status of work undertaken by the Secretariat in implementation of the security measures over the period from July to October 2002 is reported in annex VI.

Impact of the reductions in the budgeted level of specific operational requirements for the biennium 2002-2003

45. By its resolution 56/253, the General Assembly decided to reduce the resources proposed by the Secretary-General for allocation for specific operational requirements for the biennium 2002-2003, as follows:

(a) Travel of staff, by 2.8 million dollars;

(b) Contractual services, by 6.4 million dollars;

(c) General operating expenses, by 19.7 million dollars;

(d) Supplies and materials, by 1.4 million dollars;

(e) Furniture and equipment, by 7.2 million dollars;

(f) Consultants and experts, by 2 million dollars;

(g) Information technology, by 10 million dollars.

These reductions have been implemented in 2002 through a combination of measures, including attempts to achieve further efficiency gains, as well as the deferral, curtailment and degradation or reduction of service levels and activities where necessary. Given the object of expenditures involved, services in respect of night and weekend meetings, facilities management and information technology have been significantly affected.

46. The introduction of these measures has allowed the implementation of the reductions thus far in 2002. However, serious difficulties continue to be encountered with regard to provisions for existing contractual obligations, such as rent, utilities and information technology infrastructure. In such cases, obligations of a fixed nature must be met from reduced provisions.

47. In paragraph 13 of its report on financial reports and audited financial statements and reports of the Board of Auditors for the period ended 31 December 2001 (A/57/439), the Advisory Committee on Administrative and Budgetary Questions took note of information provided on the effective reduction in resources available to the Board of Auditors as a result of across-the-board reductions made

by the General Assembly to the regular budget for the biennium 2002-2003. It was pointed out that, in some audits, the Board, of necessity, had recourse to specialized outside expertise. The Advisory Committee indicated its intention to examine the adequacy of the audit fee in the context of the proposed programme budget for the biennium 2004-2005. With regard to the current biennium, an additional amount of $316,300 is required to offset the reductions implied by General Assembly resolution 56/253. Restoration of this provision will ensure the maintenance of audit scope of coverage and quality during 2002-2003 at previously budgeted levels. This amount will be funded from savings realized under section 1 in 2002, as a result of a reduced number of meetings of the Committee for Programme and Coordination and also from reductions in the United Nations share of costs for the United Nations Joint Staff Pension Fund.

48. Similarly, the across-the-board reductions have resulted in the under-provision of resources to cover the United Nations share of the general operating expenses of the facilities provided in the Peace Palace at The Hague for the International Court of Justice. An amount of $160,000 is required to meet the United Nations contribution to the Carnegie Foundation for the use of the Peace Palace in 2002-2003. At present, it has not been possible to offset these rental obligations against other budgetary provisions available for the International Court of Justice. Efforts will continue in 2003 and their success or otherwise will be reported in the context of the second performance report.

Economic and Social Commission for Asia and the Pacific

49. At its fifty-eighth session, held in May 2002, the Economic and Social Commission for Asia and the Pacific adopted resolution 58/1, by which it endorsed the restructuring of the conference structure of the Commission and the proposed revisions to programme 15, Economic and social development in Asia and the Pacific, of the medium-term plan for the period 2002-2005. At the same time, the Commission endorsed the realignment of the programme of work for the biennium 2002-2003, in order to bring into effect the new programme structure set out in the revisions to the medium-term plan.

50. Pursuant to the recommendations of the Commission, as subsequently endorsed by the Economic and Social Council, the Secretariat has revised the programme of work of the Commission for the biennium 2002-2003 and has redistributed the resources approved for that biennium by the General Assembly among the new subprogrammes. The redistribution of resources is within the level of resources approved by the General Assembly at its fifty-sixth session under section 17, Economic and social development in Asia and the Pacific, of the programme budget for the biennium 2002-2003.

Economic and Social Commission for Western Asia

51. In March 2002, at its fourth special session, the Economic and Social Commission for Western Asia (ESCWA) was called upon to apprise its member States of follow-up action to the recommendation of the twenty-first session of the Commission in May 2001, which stipulated that ESCWA secretariat activities should focus on a limited number of priorities and that attention should be focused on Arab regional integration and the study of mechanisms that would activate this integration; and on reviewing the existing organizational structure of the secretariat

in order to serve Arab integration (see E/2001/41). That recommendation was subsequently noted by the Economic and Social Council. The consequential programmatic restructuring of the secretariat and the related budgetary and organizational restructuring have since been effected. The redistribution of resources was within the level of resources approved by the General Assembly at its fifty-sixth session under section 20, Economic and social development in Western Asia, of the programme budget for the biennium 2002-2003.

I. Summary

52. On the basis of the elements described in the present report, the revised level of resources requested for appropriation for the biennium 2002-2003 would be $2,914,407,800.

III. Income sections

Income section 1
Income from staff assessment

53. With the changes described under the expenditure sections above and under income section 3 below, an increase in income of $17,367,800 would result.

Income section 2
General income

54. The decrease of $5.33 million in net income for income section 2 is the net effect of a decrease of $5.56 million in the income projections for the biennium 2002-2003, based on the experience in 2002, partially offset by an increase of $231,200, owing to recosting. The decrease in income projections is owing mainly to a significant drop in bank interest rates as a result of market conditions ($2.9 million) and the decrease in income from contributions of non-Member States ($2.3 million) as a result of the admission of Switzerland as a Member State of the United Nations.

Income section 3
Services to the public

55. The decrease of $5 million in income for income section 3 is explained in annex IV.

Summary

56. On the basis of the elements described above, the revised income estimates for the biennium 2002-2003 would be $417,027,800.

Income estimates for the biennium 2002-2003 (Thousands of United States dollars)	*Resolutions 56/251 B, 56/274 B and 56/286*	*Projected changes*	*Revised estimates 2002-2003*
Income section 1	358 278.5	17 367.8	375 646.3
Income section 2	47 283.2	(5 330.0)	41 953.2
Income section 3	4 474.4	(5 046.1)	(571.7)
Total	**410 036.1**	**6 991.7**	**417 027.8**

IV. Action requested of the General Assembly

57. **The General Assembly is requested to revise the appropriation as requested in paragraph 52 above and the related income estimates as reflected in paragraph 56 above.**

Schedule 1

Rates of exchange and inflation included in the initial appropriation and in the present report by main duty station

	Rates of exchange 2002-2003			*Rates of inflation applicable non-post objects of expenditure*			
		Performance report		*Initial appropriation*		*Performance report*	
Main duty station (currency)	*Initial appropriation 2002-2003*	*2002*[a]	*2003*[b]	*2002*	*2003*	*2002*	*2003*
Vienna (euro)	1.11	1.073	1.073	1.6	1.6	1.6	1.6
Santiago (Chilean pesos)	700.00	687.083	735.000	3.8	3.8	2.1	2.9
Addis Ababa (Ethiopian birr)	8.54	8.527	8.570	2.6	2.6	-	-
UNMOGIP (rupees)	47.75	48.308	48.308	8.4	7.9	5.4	5.9
Beirut (Lebanese pounds)	1 501.00	1 502.333	1 509.000	1.5	1.5	4.0	1.5
UNTSO (new shekels)	4.28	4.671	4.720	2.3	2.0	5.7	2.7
Gaza (new shekels)	4.28	4.671	4.720	2.3	2.0	5.7	2.7
UNRWA (new shekels)	4.28	4.671	4.720	2.3	2.0	5.7	2.7
Nairobi (Kenyan shillings)	79.00	78.458	78.458	5.8	5.8	2.4	2.0
Mexico City (Mexican pesos)	9.29	9.429	9.900	5.7	4.6	5.0	4.0
The Hague (euro)	1.11	1.073	1.073	2.2	2.2	3.4	2.3
Bangkok (Thai bahts)	44.62	42.911	43.170	2.7	1.8	0.5	1.9
Port-of-Spain (Trinidad and Tobago dollars)	6.12	6.098	6.098	3.1	3.1	5.5	3.1
New York (United States dollars)	-	-	-	2.1	2.1	1.5	2.2
Geneva (Swiss francs)	1.68	1.575	1.575	1.1	1.1	0.5	0.8
United Nations information centres[c]	-	-	-	2.1	2.1	1.5	2.2

[a] Average based on actual rates until November 2002 (see schedule 3), with November rate used for December.

[b] November 2002 rate of exchange used, except for Vienna, the United Nations Military Observer Group in India and Pakistan, Nairobi, The Hague, Port-of-Spain and Geneva, for which the average 2002 rates was used.

[c] Combined effect of inflation and exchange rate changes.

Schedule 2

Post adjustment multipliers for 2002 applicable to staff in the Professional and higher categories

	Initial appropriation		*First performance report*		*Monthly actuals for 2002 Base 100 = multiplier 0 (zero)*											
Duty station	*2002*	*2003*	*2002*[a]	*2003*	*Jan.*	*Feb.*	*March*[b]	*April*	*May*	*June*	*July*	*Aug.*	*Sep.*	*Oct.*	*Nov.*	*Dec.*
Vienna	115.2	116.5	115.1	116.1	112.7	110.5	106.8	107.9	110.9	114.8	119.4	119.7	119.8	119.1	119.6	119.6
Santiago	100.0	100.0	101.5	105.4	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	104.6	104.6	104.2	104.2
Addis Ababa	104.8	106.5	109.2	113.3	103.5	103.5	101.7	110.0	110.0	110.0	111.3	111.3	111.3	111.3	113.0	113.0
UNMOGIP	110.1	114.7	105.3	106.8	109.1	109.1	104.5	104.5	104.5	104.5	104.1	104.3	104.3	104.3	105.0	105.0
Beirut	133.1	133.1	132.1	135.7	133.1	133.1	128.1	128.1	132.1	132.1	132.5	132.5	132.5	132.5	134.5	134.5
UNTSO	109.5	110.4	114.8	125.5	109.5	109.5	102.8	102.8	102.8	120.4	120.4	120.4	120.4	120.4	124.2	124.2
Gaza	109.5	110.4	114.8	125.5	109.5	109.5	102.8	102.8	102.8	120.4	120.4	120.4	120.4	120.4	124.2	124.2
UNRWA	109.5	110.4	114.8	125.5	109.5	109.5	102.8	102.8	102.8	120.4	120.4	120.4	120.4	120.4	124.2	124.2
Nairobi	107.8	107.8	105.4	109.5	107.8	107.8	104.3	104.3	104.3	104.3	103.8	103.8	103.8	103.8	108.5	108.5
Mexico City	117.0	120.3	113.5	113.4	114.9	118.6	114.2	114.2	114.2	114.2	111.9	111.9	111.9	111.9	112.0	112.0
The Hague	104.4	105.8	110.0	117.3	102.5	100.6	100.0	100.0	100.8	112.7	117.1	117.4	117.5	116.8	117.3	117.3
Bangkok	100.0	100.0	103.3	108.4	100.0	100.0	100.0	100.0	100.0	100.0	100.0	108.2	108.2	108.2	107.4	107.4
Port-of-Spain	110.9	113.5	112.8	119.0	114.6	114.6	110.8	110.8	110.8	110.8	111.4	111.4	111.4	111.4	117.5	117.5
New York	147.0	150.4	142.8	146.7	146.4	146.4	141.0	141.0	141.0	141.0	141.0	141.0	141.0	141.0	146.3	146.3
Geneva	128.3	130.7	130.4	135.8	126.6	124.7	120.0	122.6	126.0	130.3	135.0	136.6	135.8	135.0	135.8	135.8
United Nations information centres	115.1	115.4	113.7	114.0	113.7	113.7	113.7	113.7	113.7	113.7	113.7	113.7	113.7	113.7	113.7	113.7

[a] Average of post adjustment multiplier promulgated monthly by ICSC from January to November 2002.

[b] Consolidation of 3.87 points effective 1 March 2002 as promulgated by ICSC.

Schedule 3
Rates of exchange for 2002

	Initial appro-priation	*Performance report*		*Variance as a percentage*		*Monthly operational rates of exchange (actuals through November)*											
Duty station	*2002-2003*	*2002*[a]	*2003*[b]	*2002*	*2003*	*Jan.*	*Feb.*	*March*	*April*	*May*	*June*	*July*	*Aug.*	*Sept.*	*Oct.*	*Nov.*	*Dec.*
Vienna	1.11	1.073	1.073	3.45	3.45	1.136	1.162	1.158	1.143	1.108	1.065	1.019	1.016	1.015	1.022	1.017	1.017
Santiago	700.00	687.083	735.000	1.88	(4.76)	660.000	660.000	665.000	655.000	650.000	650.000	700.000	700.000	700.000	735.000	735.000	735.000
Addis Ababa	8.54	8.527	8.570	0.15	(0.35)	8.558	8.558	8.558	8.558	8.558	8.558	8.350	8.350	8.570	8.570	8.570	8.570
UNMOGIP	47.75	48.308	48.308	(1.16)	(1.16)	47.600	47.950	48.300	48.460	48.550	48.750	48.680	48.500	48.500	48.200	48.100	48.100
Beirut	1 501.00	1 502.333	1 509.000	(0.09)	(0.53)	1 501.000	1 501.000	1 501.000	1 501.000	1 501.000	1 501.000	1 501.000	1 501.000	1 501.000	1 501.000	1 509.000	1 509.000
UNTSO	4.28	4.671	4.720	(8.37)	(9.32)	4.190	4.550	4.680	4.600	4.840	4.820	4.930	4.610	4.600	4.790	4.720	4.720
Gaza	4.28	4.671	4.720	(8.37)	(9.32)	4.190	4.550	4.680	4.600	4.840	4.820	4.930	4.610	4.600	4.790	4.720	4.720
UNRWA	4.28	4.671	4.720	(8.37)	(9.32)	4.190	4.550	4.680	4.600	4.840	4.820	4.930	4.610	4.600	4.790	4.720	4.720
Nairobi	79.00	78.458	78.458	0.69	0.69	79.000	79.000	78.000	78.000	78.000	78.000	79.000	79.000	79.000	78.000	78.250	78.250
Mexico	9.29	9.429	9.900	(1.47)	(6.16)	9.000	9.000	9.000	9.000	9.050	9.400	9.600	9.600	9.700	10.000	9.900	9.900
The Hague	1.11	1.073	1.073	3.45	3.45	1.136	1.162	1.158	1.143	1.108	1.065	1.019	1.016	1.015	1.022	1.017	1.017
Bangkok	44.62	42.911	43.170	3.98	3.36	43.790	44.040	43.620	43.190	43.140	42.730	41.860	40.860	42.190	43.170	43.170	43.170
Port-of-Spain	6.12	6.098	6.098	0.36	0.36	6.090	6.130	6.130	6.130	6.210	6.100	6.120	6.000	5.990	6.090	6.090	6.090
Geneva	1.68	1.575	1.575	6.67	6.67	1.680	1.710	1.710	1.670	1.620	1.560	1.500	1.480	1.490	1.500	1.490	1.490

[a] Average of United Nations rates of exchange until November 2002.

[b] November 2002 rate of exchange used, except for Vienna, UNMOGIP, Nairobi, The Hague, Port-of-Spain and Geneva, for which the average 2002 rates was used.

Schedule 4

General Service salaries: changes in local currency terms

(percentages)

Duty station		*Rates of increase in initial appropriation 2002-2003 (previous year=100)*	*Adjusted rates in performance report*	*Increases (previous scale=100)*	
Vienna	2002	1.60	2.91	01-Apr	2.98
	2003	1.60	1.60[a]		
Santiago	2002	3.80	2.40		
	2003	3.80	2.90[a]		
Addis Ababa	2002	2.60	4.75	01-Mar	3.30
	2003	2.60	-[a]		
UNMOGIP	2002	8.40	7.77		
	2003	7.90	5.90[a]		
Beirut	2002	1.50	4.25	01-Aug	10.20
	2003	1.50	1.50[a]		
UNTSO	2002	2.30	-		
	2003	2.00	2.70[a]		
Nairobi	2002	5.80	4.30		
	2003	5.80	2.00[a]		
Mexico	2002	5.70	2.96	01-Jul	4.60
	2003	4.60	4.00[a]		
The Hague	2002	2.20	4.51	01-May	4.33
	2003	2.20	2.30[a]		
Bangkok	2002	2.70	4.90	01-Oct	19.60
	2003	1.80	1.90[a]		
Port-of-Spain	2002	3.10	5.32	01-Apr	5.90
	2003	3.10	3.10[a]		
New York	2002	2.10	2.53	01-May	2.50
	2003	2.10	2.20[a]		
Geneva	2002	1.10	2.48	01-Jan	1.93
	2003	1.10	0.80[a]		

[a] Projections.

Annex I

Projected estimates for the biennium 2002-2003

A. Projected changes by section, subsection and main determining factor

(Thousands of United States dollars)

			Projected changes								
Expenditure sections	*2002-2003 appropriation*[a]	*Unforeseen and extraordinary expenses*	*Decisions of policy-making organs*[b]	*Rates of exchange*	*Inflation*	*Adjustment to standards*	*Vacancy*	*ICSC recommendation on net remuneration*	*Total changes*	*Revised estimates*
1. Overall policy-making, direction and coordination	49 365.8	-	-	279.6	331.1	90.3	293.2	663.8	1 658.0	51 023.8
2. General Assembly affairs and conference services	449 775.3	-	10 563.0	9 471.6	2 171.6	(1 137.9)	4 200.3	4 956.2	30 224.8	480 000.1
3. Political affairs	165 579.4	12 470.7	69 028.1	(718.6)	1 356.4	73.8	511.3	994.9	83 716.6	249 296.0
4. Disarmament	15 432.3	-	-	147.3	60.3	10.2	105.3	231.9	555.0	15 987.3
5. Peacekeeping operations	73 680.7	-	-	(2 940.2)	3 918.2	2 982.6	768.9	426.9	5 156.4	78 757.1
6. Peaceful uses of outer space	4 044.8	-	-	116.3	18.2	85.1	32.0	72.8	324.4	4 369.2
7. International Court of Justice	23 837.3	393.3	-	519.7	696.5	748.4	132.6	151.8	2 642.3	26 479.6
8. Legal affairs	35 265.8	-	(285.0)	101.1	155.0	113.2	297.2	509.7	891.2	36 157.0
9. Economic and social affairs	121 043.4	-	(87.5)	-	623.7	(129.8)	1 069.6	1 997.9	3 473.9	124 517.3
9A. Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States	3 055.6	-	-	-	10.3	(4.5)	22.5	57.8	86.1	3 141.7

Expenditure sections	2002-2003 appropriation[a]	Projected changes: Unforeseen and extraordinary expenses	Decisions of policy-making organs[b]	Rates of exchange	Inflation	Adjustment to standards	Vacancy	ICSC recommendation on net remuneration	Total changes	Revised estimates
10. Africa: New Agenda for Development	5 932.7	-	-	(1.1)	68.7	(13.2)	41.6	88.8	184.8	6 117.5
11A. Trade and development	84 858.4	-	-	5 049.9	358.4	5.6	886.5	1 256.2	7 556.6	92 415.0
11B. International Trade Centre UNCTAD/WTO	18 022.6	-	-	1 044.8	82.6	41.8	202.0	189.9	1 561.1	19 583.7
12. Environment	7 660.2	-	-	103.2	98.1	370.3	67.7	180.9	820.2	8 480.4
13. Human settlements	11 541.8	-	-	67.4	152.1	875.7	101.3	243.1	1 439.6	12 981.4
14. Crime prevention and criminal justice	5 733.8	-	-	166.1	26.5	113.8	43.6	105.7	455.7	6 189.5
15. International drug control	15 289.1	-	(42.9)	421.7	64.2	415.5	122.1	203.2	1 183.8	16 472.9
16. Economic and social development in Africa	80 845.7	-	-	(71.5)	3 335.6	(1 104.5)	645.6	1 234.3	4 039.5	84 885.2
17. Economic and social development in Asia and the Pacific	53 396.2	-	-	1 826.0	2 098.0	883.4	589.5	767.6	6 164.5	59 560.7
18. Economic development in Europe	40 605.9	-	-	2 513.4	200.5	(30.3)	436.5	640.9	3 761.0	44 366.9
19. Economic and social development in Latin America and the Caribbean	69 399.4	-	-	(1 000.6)	1 971.3	2 177.1	678.1	763.9	4 589.8	73 989.2
20. Economic and social development in Western Asia	50 140.2	-	-	(151.6)	1 812.5	(2 447.3)	436.5	624.6	274.7	50 414.9

Expenditure sections	2002-2003 appropriation[a]	Projected changes: Unforeseen and extraordinary expenses	Decisions of policy-making organs[b]	Rates of exchange	Inflation	Adjustment to standards	Vacancy	ICSC recommendation on net remuneration	Total changes	Revised estimates
21. Regular programme of technical cooperation	42 749.6	-	-	509.0	(387.1)	-	-	-	121.9	42 871.5
22. Human rights	44 727.1	-	455.0	2 115.3	109.3	(209.9)	306.5	478.8	3 255.0	47 982.1
23. Protection of and assistance to refugees	42 890.4	-	-	3 386.3	(330.9)	(17.0)	6.5	34.2	3 079.1	45 969.5
24. Palestine refugees	24 828.4	-	-	(2 036.7)	4 898.3	83.5	241.3	770.3	3 956.7	28 785.1
25. Humanitarian assistance	20 011.6	-	-	293.9	57.8	1.5	117.6	285.7	756.5	20 768.1
26. Public information	144 719.2	-	-	364.7	943.6	(127.0)	1 252.8	1 333.7	3 767.8	148 487.0
27. Management and central support services	440 883.6	-	1 052.2	6 565.6	736.2	(400.7)	3 143.6	2 139.2	13 236.1	454.119.7
A. Office of the Under-Secretary-General for Management	12 030.9	-	-	-	68.8	24.1	125.0	257.4	475.3	12 506.2
B. Office of Programme Planning, Budget and Accounts	23 387.1	-	-	-	122.7	(3.7)	240.7	314.0	673.7	24 060.8
C. Office of Human Resources Management	50 019.0	-	-	-	88.5	12.5	342.3	461.8	905.1	50 924.1
D. Office of Central Support Services	230 937.2	-	1 052.2	41.9	1.8	302.9	1 311.3	667.3	3 377.4	234 314.6
E. Administration, Geneva	87 729.8	-	-	5 655.0	476.4	(2 134.6)	845.0	252.8	5 094.6	92 824.4
F. Administration, Vienna	24 459.3	-	-	790.6	161.4	489.5	153.8	93.8	1 689.1	26 148.4
G. Administration, Nairobi	12 320.3	-	-	78.1	(183.4)	908.6	125.5	92.1	1 020.9	13 341.2

Expenditure sections	2002-2003 appropriation[a]	Projected changes: Unforeseen and extraordinary expenses	Decisions of policy-making organs[b]	Rates of exchange	Inflation	Adjustment to standards	Vacancy	ICSC recommendation on net remuneration	Total changes	Revised estimates
28. Internal oversight	20 296.9	-	-	127.1	138.1	126.8	185.8	364.3	942.1	21 239.0
29. Jointly financed administrative activities	8 436.6	-	-	221.3	17.3	(8.6)	47.5	113.0	390.5	8 827.1
30. Special expenses	70 987.5	8.3	-	764.0	4 395.4	1 007.1	16.6	102.1	6 293.5	77 281.0
31. Capital expenditures	87 254.5	-	-	1 824.8	(738.2)	-	-	-	1 086.6	88 341.1
32. Staff assessment	353 991.0	-	8 287.0	2 684.4	(1 420.9)	(158.5)	3 409.5	4 692.7	17 494.2	371 485.2
33. Development account	13 065.0	-	-	-	-	-	-	-	-	13 065.0
Total, expenditure	**2 699 267.8**	**12 872.3**	**88 969.9**	**33 764.2**	**28 028.7**	**4 416.5**	**20 411.6**	**26 676.8**	**215 140.0**	**2 914 407.8**

[a] General Assembly resolutions 56/254 A, 56/274 and 56/286.
[b] Including special political missions.

B. Projected changes by duty station and main determining factor

(Thousands of United States dollars)

Duty station	2002-2003 appropriation	Projected changes								Revised estimates
		Unforeseen and extraordinary expenses	Decisions of policy-making organs	Rates of exchange	Inflation	Adjustment to standards	Vacancy	ICSC recommendation on net remuneration	Toil changes	
New York	1 256 378.2	12 479.0	80 506.1	-	7 747.5	290.9	7 904.6	11 103.0	120 031.1	1 376 409.3
Geneva	521 379.9	-	219.7	32 436.3	1 476.7	(4 160.9)	4 299.8	4 647.1	38 918.7	560 298.6
Vienna	88 704.7	-	(42.9)	2 783.2	486.9	1 937.4	637.6	818.1	6 620.3	95 325.0
Santiago	58 660.4	-	-	(652.5)	1 631.6	1 946.1	514.4	613.6	4 053.2	62 713.6
Addis Ababa	91 673.9	-	-	(79.5)	3 082.4	(1 107.2)	643.1	1 236.2	3 775.0	95 448.9
Beirut	54 100.0	-	-	(162.3)	1 895.8	(2 447.3)	436.5	624.6	347.3	54 447.3
Nairobi	41 505.0	-	-	251.1	2.2	2 987.6	334.7	576.8	4 152.4	45 657.4
Bangkok	60 642.2	-	-	2 030.9	1 977.2	883.4	589.5	767.6	6 248.6	66 890.8
Other duty stations	172 232.5	393.3	-	(5 527.4)	11 149.3	4 245.0	1 641.9	1 597.1	13 499.2	185 731.7
Staff assessment	353 991.0	-	8 287.0	2 684.4	(1 420.9)	(158.5)	3 409.5	4 692.7	17 494.2	371 485.2
Total	**2 699 267.8**	**12 872.3**	**88 969.9**	**33 764.2**	**28 028.7**	**4 416.5**	**20 411.6**	**26 676.8**	**215 140.0**	**2 914 407.8**

Annex II

Distribution of estimated additional requirements or decreases by section and main object of expenditure for the biennium 2002-2003

(Thousands of United States dollars)

Expenditure sections	*Post and other personnel costs*	*Travel*	*Printing*	*Other contractual services*	*General operating expenses*	*Supplies, materials, furniture and equipment*	*Other*	*Total increase (decrease)*
1. Overall policy-making, direction and coordination	1 756.4	(48.7)	-	301.9	(5.1)	1.3	(347.8)	1 658.0
2. General Assembly affairs and conference services	27 588.5	(3.4)	(0.8)	323.2	46.9	130.2	2 140.2	30 224.8
3. Political affairs	54 741.0	2 391.8	(0.3)	2 944.4	8 734.7	2 310.8	12 594.2	83 716.6
4. Disarmament	540.1	(3.6)	(0.2)	-	(0.8)	(0.1)	19.6	555.0
5. Peacekeeping operations	5 543.6	(19.1)	-	(0.2)	(255.6)	(110.1)	(2.2)	5 156.4
6. Peaceful uses of outer space	308.1	(0.6)	-	1.7	1.4	1.3	12.5	324.4
7. International Court of Justice	2 497.5	(0.4)	-	37.6	76.4	31.2	-	2 642.3
8. Legal affairs	1 194.2	(14.0)	(0.9)	(287.8)	(0.5)	2.3	(2.1)	891.2
9. Economic and social affairs	3 615.4	(30.9)	(3.5)	(89.3)	(8.4)	(5.7)	(3.7)	3 473.9
9A. Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States	88.8	(0.7)	(0.1)	(0.2)	(0.9)	(0.8)	-	86.1
10. Africa: New Agenda for Development	187.6	(0.9)	-	(1.6)	(0.3)	-	-	184.8
11A. Trade and development	7 202.9	(8.9)	25.2	-	126.3	100.1	111.0	7 556.6
11B. International Trade Centre UNCTAD/WTO	-	-	-	-	-	-	1 561.1	1 561.1
12. Environment	826.4	(1.0)	-	-	(4.4)	(0.8)	-	820.2
13. Human settlements	1 464.5	(1.4)	(2.8)	-	(15.9)	(4.8)	-	1 439.6
14. Crime prevention and criminal justice	448.5	(1.4)	3.6	1.7	1.8	1.5	-	455.7
15. International drug control	1 195.2	(8.2)	12.4	(37.7)	11.6	10.5	-	1 183.8
16. Economic and social development in Africa	4 466.6	(9.7)	(13.0)	(57.7)	(184.9)	(159.6)	(2.2)	4 039.5
17. Economic and social development in Asia and the Pacific	6 099.6	(6.6)	3.5	4.9	42.5	19.8	0.8	6 164.5
18. Economic development in Europe	3 650.2	(3.0)	8.2	8.1	6.9	21.5	69.1	3 761.0

	Expenditure sections	*Post and other personnel costs*	*Travel*	*Printing*	*Other contractual services*	*General operating expenses*	*Supplies, materials, furniture and equipment*	*Other*	*Total increase (decrease)*
19.	Economic and social development in Latin America and the Caribbean	4 799.4	(8.3)	(4.2)	(20.1)	(132.6)	(44.4)	-	4 589.8
20.	Economic and social development in Western Asia	157.1	(2.7)	0.9	17.7	64.5	28.2	9.0	274.7
21.	Regular programme of technical cooperation	-	-	-	-	-	-	121.9	121.9
22.	Human rights	3 266.2	(28.2)	9.8	(88.9)	63.0	26.0	7.1	3 255.0
23.	Protection of and assistance to refugees	69.6	-	-	-	-	-	3 009.5	3 079.1
24.	Palestine refugees	3 956.7	-	-	-	-	-	-	3 956.7
25.	Humanitarian assistance	705.7	(5.7)	-	9.8	10.3	3.6	32.8	756.5
26.	Public information	3 732.0	(7.4)	-	93.2	(34.0)	(14.2)	(1.8)	3 767.8
27.	Management and central support services	10 879.4	(7.5)	(0.9)	843.5	1 012.8	138.2	370.6	13 236.1
A.	Office of the Under-Secretary-General for Management	477.7	(0.3)	-	(0.7)	(1.0)	(0.4)	-	475.3
B.	Office of Programme Planning, Budget and Accounts	679.6	(0.1)	-	(3.5)	(1.8)	(0.5)	-	673.7
C.	Office of Human Resources Management	1 002.5	(3.1)	(0.4)	(86.2)	(3.4)	(4.3)	-	905.1
D.	Office of Central Support Services	2 839.5	(3.0)	(0.5)	760.6	(176.6)	(34.3)	(8.3)	3 377.4
E.	Administration, Geneva	3 543.8	(0.9)	-	169.7	1 058.7	165.8	157.5	5 094.6
F.	Administration, Vienna	1 201.0	-	-	12.9	220.2	33.6	221.4	1 689.1
G.	Administration, Nairobi	1 135.3	(0.1)	-	(9.3)	(83.3)	(21.7)	-	1 020.9
28.	Internal oversight	950.5	(4.0)	-	(0.3)	(1.9)	(2.2)	-	942.1
29.	Jointly financed administrative activities	-	-	-	-	-	-	390.5	390.5
30.	Special expenses	4 439.7	-	-	-	719.4	-	1 134.4	6 293.5
31.	Capital expenditures	-	-	-	-	-	-	1 086.6	1 086.6
32.	Staff assessment	17 494.2	-	-	-	-	-	-	17 494.2
	Total	**173 865.6**	**2 165.5**	**36.9**	**4 003.9**	**10 273.2**	**2 483.8**	**22 311.1**	**215 140.0**

Annex III

Total jointly financed activities and inter-organizational security measures by main determining factor for the biennium 2002-2003

(Thousands of United States dollars)

	2002-2003 appropriation (resolutions 56/254 A, 56/274 and 56/286)	*Projected changes*								*Revised estimates*
		Unforeseen and extraordinary	*Decisions of policy-making organs (including special political missions)*	*Rates of exchange*	*Inflation*	*Standards*	*Vacancy*	*ICSC recommend-ation on net remuneration*	*Total Changes*	
International Civil Service Commission	12 813.4	-	-	-	57.6	(9.5)	89.6	155.2	292.9	13 106.3
Inter-organizational security measures	55 179.7	58.6	-	-	(744.7)	7 807.9	69.8	421.8	7 613.4	62 793.1
High-level Committee on Management	1 373.7	-	-	77.7	4.2	0.6	12.3	42.7	137.5	1 511.2
Information and communication technology policy coordination activities	1 235.7	-	-	76.7	(2.7)	(2.7)	5.0	17.3	93.6	1 329.3
High-level Committee on Programmes	767.9	-	-	44.0	2.5	0.8	7.1	23.2	77.6	845.5
Joint Inspection Unit	7 546.1	-	-	439.8	33.2	(33.8)	68.0	214.4	721.6	8 267.7
Total, expenditure	**78 916.5**	**58.6**	**-**	**638.2**	**(649.9)**	**7 763.3**	**251.8**	**874.6**	**8 936.6**	**87 853.1**

Annex IV

Income section 3, Services to the public

1. In its initial appropriation for the current biennium at its fifty-sixth session, the General Assembly approved an estimate of net revenue of $4,474,400 under this section. The estimate was based on expected gross revenues of $51,348,800, offset by expenditures totalling $46,874,400.

2. Since then, several developments have had a profound effect on gross revenues and have forced a substantial review of the estimated results. The events of 11 September 2001 had implications for the Headquarters complex, which resulted in some curtailments of activities for several months following the attacks. Immediately after the attacks, the complex remained closed to visitors for approximately two months, resuming a semblance of normal operations in early 2002. In the light of these developments, the services to the public income estimates have been revised to reflect not only changes in inflation and exchange rates, but also changes in revenues and costs due to a reduced level of business activities.

3. As the New York City tourist industry recovers, the United Nations guided tour operation has seen a steady increase in attendance and revenue since the start of 2002. Nevertheless, the number of visitors paying for tours to the United Nations has declined to an estimated $294,000 in 2002, from an initial estimate of $403,570, and similar attendance is expected for 2003. The loss in revenue is partially offset by reductions in the levels of expenditures. In the first half of 2002, the United Nations Security and Safety Service eased some of the restrictions on the size of groups, which had been reduced to 10 visitors per guide following the closure after 11 September. Currently, the restriction to 10 visitors per guide only applies to tours on weekdays for the general public. The ceiling has been increased to 15 visitors per group on weekends, with school groups being allowed to have as many as 20 students per guide.

4. The United Nations Gift Shop has been directly and very adversely affected by the decrease in visitors to the complex. The effect of the closure of the complex to visitors at the end of 2001 is still having a negative impact on its level of revenue. As a consequence the contractor sought and was granted partial financial mitigation of its obligations. Further, in the negotiations for the extension of the contract, a revised royalty has been proposed, which is projected to achieve a net income to the Organization of $923,000 for the biennium. Negotiations are also under way with regard to the Newsstand operations and the projected income from that activity is now estimated to amount to $100,000 for the biennium.

5. The catering operations at Headquarters were also seriously impacted by the closure of the building to the public during 2001. This impact continued well into 2002 and, as a consequence, the contractor was given partial financial mitigation of the guaranteed minimum payment. Accordingly, the revenue projection for the biennium 2002-2003 has been revised downward to $300,000.

6. The impact of increased security was also felt in the Garage Administration at Headquarters. Gross revenue had been initially estimated at $2,270,100 for the biennium. Throughout 2002, however, there was a decrease in the sale of daily parking tickets, owing to the restrictions on single-occupancy vehicles entering the island of Manhattan during peak working hours. In addition, there was a decrease in

the issue of temporary parking permits, as well as lower utilization of nightly parking by delegates. The gross revenue for the biennium has thus been revised to approximately $2,093,000.

7. In addition to security-related effects, worldwide economic conditions affected other revenue-producing areas, chiefly in postal and publication activities. The initial estimate of gross revenue of the United Nations Postal Administration ($17,412,300) has been affected negatively by the continuing decline of the philatelic industry, which has been adversely affected by a generalized worldwide persistent economic downturn and the ageing and downsizing of the collector base. In addition, the introduction of euro-only stamps in 2002 has further reduced the European market, with the demise of the customer base for Austrian schillings stamps. This alone has reduced the gross revenue of the European operations by over $1.5 million. Furthermore, there has been a delay in the planned introduction of personalized stamps at Headquarters. It is expected that the introduction of personalized stamps during 2003, together with new cooperative arrangements with national postal administrations and other venues would increase the income derived by the New York office. In addition, during the first half of 2003, an auction of the archives of the United Nations Postal Administration will be held. The proceeds from the sale of these items are expected to amount to $3 million. Payments to post offices still presents a significant expenditure and the changeover to euros at the Vienna office has required that office to exchange Austrian schilling stamps for euro stamps at face value. Taking into account all these factors, the revenue projections for the United Nations Postal Administration amount to $14.9 million. Therefore, the expenditure levels required to attain the reduced level of revenue have also been revised downward. It is proposed that a number of vacant posts be frozen, pending the review of the outcome of various studies and reviews of the operations of the United Nations Postal Administration. In addition, expenditures on advertising will be curtailed. The resultant level of expenditure will total $16.2 million.

8. Gross revenue from the sale of publications is expected to continue to increase at a rate similar to that shown in the last two bienniums. However, predictions for a greater acceleration in this rate brought about by the expansion in sales of electronic products have proved to be over-optimistic when compared to prior estimates. While revenues have benefited from this type of product, there has been a partial offsetting drop in income from traditional printed materials, attributed to growing competition from increasingly available free reference information on the Internet and cuts in the published output of many programmes. As such, the initial gross revenue estimate of $19,085,300 is being revised downward to $16,869,700. The programme aims to counter these influences and to continue to increase its gross income at a similar rate through a combination of enhanced marketing and new product development. Such an approach in the Headquarters Bookshop has led to sales rebounding to pre-2001 levels, despite a significant drop in visitor traffic. Against this general background, expenditures have also been revised downward to enable the Sales Section to hold closely to its net income estimates for the biennium.

9. Therefore, the initial net revenue estimate for the entire section is revised to a net loss of $571,700, down $5,046,100 from the initial estimates of $4,474,400, as follows:

Income section 3
Estimates of gross and net revenue for 2002-2003

	Initial estimates	*Revised estimates*	*Increase (decrease)*
United Nations Postal Administration			
Gross revenue	17 412.3	14 991.4	(2 420.9)
Less expenditures	17 259.3	16 210.1	(1 049.2)
Net revenue	153.0	(1 218.7)	(1 371.7)
Publications			
Gross revenue	19 085.3	16 869.7	(2 215.6)
Less expenditures	15 869.9	14 341.7	(1 528.2)
Net revenue	3 215.4	2 528.0	(687.4)
Visitors			
Gross revenue	7 488.5	5 374.6	(2 113.9)
Less expenditures	9 218.8	8 562.3	(656.5)
Net revenue	(1 730.3)	(3 187.7)	(1 457.4)
Department of Economic and Social Affairs revenue services			
Gross revenue	972.9	1 285.0	312.1
Less expenditures	890.9	895.9	5.0
Net revenue	82.0	389.1	307.1
Gift items			
Gross revenue	1 845.9	923.0	(922.9)
Less expenditures	16.5	19.5	3.0
Net revenue	1 829.4	903.5	(925.9)
Newsstand			
Gross revenue	200.0	100.0	(100.0)
Less expenditures			
Net revenue	200.0	100.0	(100.0)
Garage			
Gross revenue	2 689.7	2 489.7	(199.9)
Less expenditures	1 661.3	1 605.0	(56.3)
Net revenue	1 028.4	884.7	(143.6)
Other commercial activities			
Gross revenue	630.5	864.9	234.4
Less expenditures	228.2	502.1	273.9
Net revenue	402.3	362.8	(39.5)
Revenue accounts			
Gross revenue			
Less expenditures	753.5	759.6	6.1
Net revenue			
Catering operations			
Gross revenue	1 023.7	398.4	(625.3)
Less expenditures	976.0	972.2	(3.8)
Net revenue	47.7	(573.8)	(621.5)
Total, gross revenue	**51 348.8**	**43 296.7**	**(8 052.1)**
Less total expenditures	**46 874.4**	**43 868.4**	**(3 006.0)**
Total net revenue	**4 474.4**	**(571.7)**	**(5 046.1)**

Annex V

Use of Department of General Assembly Affairs and Conference Management resources in the biennium 2002-2003

1. The above requirements for the Committee should be viewed in the context of the overall resources made available for the Department of General Assembly and Conference Management and the Office of Central Support Services for the biennium 2002-2003. The table below presents the estimated meetings-servicing workload for 2002, based on the actual workload for the period from January to September 2002 and on projections for the remaining three months. The experience of the first nine months of 2002 indicate a continuing increase in demand for conference services across the Organization, owing to a number of meetings already mandated by the General Assembly, the Security Council and the Economic and Social Council, as well as the current calendar of United Nations conferences and meetings. While the demand for additional services has been largely mitigated by the measures introduced by the Secretary-General to schedule meetings within normal working hours, it is estimated that there will be no overall reduction in the workload of the department, compared to the level projected in the budget proposals. The estimated workload based on the scope and composition of the mandated meetings is summarized below by main functional areas:

	Actual 2000-2001	*Originally estimated in budget proposals for 2002-2003*	*Actual for January-September period of 2002*	*Projected for October-December 2002*	*Total projected for 2002*	*2002 against estimates for 2002-2003*
Number of meetings with interpretation	14 237	14 640	5 306	1 929	7 235	49%
Number of meetings without interpretation	17 430	18 384	7 044	2 684	9 728	53%
Translation workload (thousands of words)	343 177	359 099	116 996	64 191	181 187	50%
Number of interpretation assignments	142 731	140 540	50 539	19 724	70 263	50%

2. Although it might appear that the additional workload for the Counter-Terrorism Committee in 2002 has been offset as a result of the measures introduced to control meetings outside normal working hours, it should be recalled that resources for the biennium 2000-2001 were inadequate to the extent of $36.8 million, and that the resource proposals made to help ameliorate this situation for 2002-2003 were reduced by $8 million. Expenditure for section 2, General Assembly affairs and conference services, amount to $174.6 million as at 30 September 2002. This represents 40 per cent of the biennial appropriation utilized in the period equivalent to 38.8 per cent of the biennium. This implies an overexpenditure at the end of the biennium of about $14 million, and this is before the main costs relating to the fifty-seventh and fifty-eighth sessions of the General Assembly have impacted the biennium. As 2002-2003 meetings and the translation and editing workload continue to exceed the 2000-2001 actual workload, it can be seen that financial provisions currently available are inadequate for the overall 2002-2003 workload, which increased, owing largely to Counter-Terrorism Committee requirements, added to previously estimated requirements related to other meetings.

Annex VI

Status of work in the implementation of measures to strengthen the security and safety of United Nations premises

1. The status of appropriations and expenditures relating to strengthening the security and safety of the United Nations premises on 31 October 2002 are summarized below:

Budget section/organizational units		*2002–2003 appropriation*	*Expenditure at 31 October 2002*
Section 16. Economic and social development in Africa		85 600	40 700
Section 17. Economic and social development in Asia and the Pacific		591 700	48 700
Section 19. Economic and social development in Latin America and the Caribbean		232 000	17 900
Section 20. Economic and social development in Western Asia		1 045 000	50 400
Section 27C. Office of Human Resources Management		458 600	144 400
Section 27D. Office of Central Support Services		9 144 200	1 115 700
Section 27E. Administration, Geneva		2 052 500	347 800
Section 27F. Administration, Vienna		370 600	328 000
Section 27G. Administration, Nairobi		327 200	188 800
Section 30. Special expenses		1 647 000	500 700
Section 31. Construction, alteration, improvement and major maintenance: special account total		41 830 900	6 587 300
Including:	Headquarters	26 128 000	2 441 200
	Geneva	14 595 200	4 100 000
	Nairobi	535 000	150 800
	Addis Ababa	325 000	1 100
	Santiago	148 000	65 200
	Bangkok	99 700	-
Grand total		**57 785 300**	**9 542 600**

2. The progress made in the implementation of the measures to strengthen the security and safety over the period of the past four months is detailed below. The information is presented by duty station.

A. United Nations Headquarters

3. The activities undertaken thus far are as follows:

Staff recruitment. Five security and safety officers and one medical nurse have been hired. The recruitment against the remaining new posts authorized for various

operational units of the Office of Central Support Services and the Office of Human Resources Management is in different stages of implementation.

Operational requirements. Consultancy services have been utilized for developing specific security-related plans on business recovery and continuation and emergency and disaster management. The plan developed by the consultant and the relating resource requirements are currently under review by the Emergency Task Force. A specialized training programme for security and safety officers has been developed and is under implementation. Work relating to irradiation of incoming mail and pouch and testing it for a possible presence of anthrax/biological substances is under way. Various specialized security equipment, supplies and materials authorized for the programme have been either procured, or are in an active stage of acquisition. Procurement has also been initiated by the Medical Services Division for a stock of specific emergency medications. The basic infrastructure projects identified for strengthening the security and safety of the premises in the context of the Capital Master Plan and which have been brought forward for implementation are either in a survey and/or an active design stage, or at a stage of the selection of a contractor.

B. United Nations Office at Geneva

4. The activities undertaken thus far are as follows:

Staff recruitment. All newly established posts are currently under recruitment. They are expected to be filled by the end of 2002.

Operational requirements. A consultant firm was contracted to provide the construction design and supervision of the implementation of the new security concept. The firm has already developed all the technical specifications for the construction and has presented the whole project, including the cost estimates, to the United Nations Office at Geneva for review. The project is currently under review in cooperation with the host country authorities. In addition, a lawyer specialized in land matters has been contracted to deal with the Swiss authorities on such outstanding matters. Construction is expected to start in the first quarter of 2003.

C. United Nations Office at Vienna

5. The activities undertaken thus far are as follows:

Staff recruitment. Recruitment against the authorized six new posts is in process. Two posts are expected to be filled by the end of 2002 and the remaining four posts are expected to be filled by the end of the first quarter of 2003.

Operational requirements. It is expected that the cost-sharing agreement on the fence construction costs among the organizations based at the Vienna International Centre will be finalized before the end of 2002. In the meantime, the United Nations Industrial Development Organization is preparing a project document for the fence construction. Tendering, evaluation of bids and finalization of a contract will be done by February 2003, and construction is expected to begin in the second quarter of 2003.

D. United Nations Office at Nairobi

6. The activities undertaken thus far are as follows:

Operational requirements. The security and safety equipment, vehicles and related supplies have been procured and are expected to be delivered either by December 2002 or, in the case of a firetruck, by the end of February 2003. Implementation of the security-related infrastructure projects has commenced. Installation of gates and barriers, a perimeter fence, lighting and alarm systems and closed-circuit TV and other control room equipment is expected to be completed by the end of 2002, while the installation of public address and fire safety systems and the equipping of the conference pre-registration area will be completed in early 2003.

E. Economic Commission for Africa

7. The activities undertaken thus far are as follows:

Operational requirements. The training programme for the security and safety staff has been developed. Two security officers have already participated in the firearms training organized at Headquarters. Procurement of the security-related equipment is in an active stage of implementation. The delivery of that equipment is expected in January 2003. The implementation of the security-related infrastructure projects (construction of a small building for the registration of conference participants, modification of the perimeter wall, installation of a wrought iron fence and a public address system) is currently in the design stage. The construction and/or installation work on these projects is expected to begin in the first half of 2003 and to be completed by the end of 2003.

F. Economic and Social Commission for Asia and the Pacific

8. The activities undertaken thus far are as follows:

Staff recruitment. Newly established security and safety officer posts have been advertised. They are expected to be filled by January 2003.

Operational requirements. The training programme for the security and safety staff has been developed. The related training will commence in 2003 upon the recruitment of the new security staff. Procurement of the security-related equipment, security vehicles, firearms, bulletproof vests and illuminated mirrors to screen vehicle undercarriages is in an active stage of implementation. The implementation of the security-related infrastructure projects (securing mail and pouch operations, closed-circuit TV monitoring and installation of infrared motion detectors) is currently at the design phase.

G. Economic Commission for Latin America and the Caribbean

9. The activities undertaken thus far are as follows:

Staff recruitment. Newly established security and safety officer posts have been advertised. They are expected to be filled by January 2003.

Operational requirements. Senior security staff has attended training courses on technical systems for security in installations and on private and citizens' security. Acquisition of X-ray equipment and other security-related equipment is expected to be completed by the end of 2002. The internal review of the security-related infrastructure projects, including upgrading of the lighting, alarm, public address and video surveillance systems has been concluded and the procurement process initiated. It is estimated that these projects will be completed in the first quarter of 2003. The construction of new premises for the Security and Safety Unit within the compound is being considered jointly with the project for the construction of additional office facilities in Santiago, which is currently under review by the General Assembly.

H. Economic and Social Commission for Western Asia

10. The activities undertaken thus far are as follows:

Staff recruitment. Seven security and safety officers have already been recruited. The remaining 14 officers will be recruited by January 2003.

Operational requirements. Security improvements to the premises (installation of fence, blast-proof glass lamination, perimeter lighting, video surveillance in the garage and on the roof and upgrading of a public address system) are in the design stage. These projects are expected to be completed by the end of 2002.

Annex VII

Expenditures as at 30 September 2002

United Nations regular budget for the biennium 2002-2003

(United States dollars)

Appropriation		2 699 267 800
Unliquidated obligations	90 869 934	
Disbursements	990 956 939	
Total expenditures		**1 081 826 873**
Uncommitted balance		**1 617 440 927**

United Nations A/57/617

General Assembly

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18 November 2002

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Fifty-seventh session
Agenda item 56
Peace, security and reunification on the Korean peninsula

Letter dated 18 November 2002 from the Permanent Representative of the Democratic People's Republic of Korea to the United Nations addressed to the Secretary-General

I am sending you the present letter regarding the irresponsible utterances of the Secretariat of the United Nations by which it has recently aligned itself with the unilateral allegation of the United States of America on the "nuclear issue" of the Korean peninsula.

To begin with, I extremely regret to say that high-ranking officials of the United Nations Secretariat are making thoughtless statements, which aggravate the Democratic People's Republic of Korea and provide no assistance towards a proper solution of the issue, by expressing "concern", for no good reason, without specific confirmation, without urging implementation of the safeguards agreement, and the like, immediately after the United States announced that "north Korea admitted its nuclear development".

As far as the "nuclear issue" on the Korean peninsula is concerned, it originated as the United States has massively stockpiled nuclear weapons in south Korea and its vicinity and threatened the Democratic People's Republic of Korea, a small country, with those weapons for nearly half a century, pursuing its hostile policy of stifling the country.

In October 1994, the Agreed Framework was adopted between the Democratic People's Republic of Korea and the United States in order to address the "nuclear issue" smoothly. Since then, the Democratic People's Republic of Korea has been implementing its obligations under the Agreed Framework in good faith.

Under the Agreed Framework, the United States is obliged to provide two light water reactors to the Democratic People's Republic of Korea by 2003 in return for the freezing of graphite moderated reactors and their related facilities by the Democratic People's Republic of Korea, in order to facilitate a move towards full normalization of political and economic relations with the Democratic People's Republic of Korea and to give it formal assurances against the threat or use of nuclear weapons.

In compliance with the Agreed Framework, the Democratic People's Republic of Korea has frozen graphite moderated reactors and their related facilities, and has consequently suffered an extensive loss of electrical capacity during the past eight years. The Democratic People's Republic of Korea has thus fully carried out its obligations under the Agreed Framework.

02-70157 (E) 201102

The United States, however, has only recently started the ground concrete tamping for the light water reactors which are to be finished by 2003. In particular, it has persistently pursued a hostile policy towards the Democratic People's Republic of Korea and has threatened it, even listing it as part of the "axis of evil" and a target of United States pre-emptive nuclear strikes.

All the facts show that it is actually the United States that is in flagrant violation of the Agreed Framework between the two countries.

In this respect, I wish to remind you that the present statement is expounded upon in the statement of the spokesman for the Foreign Ministry of the Democratic People's Republic of Korea, dated 25 October 2002.

The United States is now trying to invent an excuse for its pre-emptive attack misleading public opinion into thinking that the Agreed Framework places an obligation of implementation only on the Democratic People's Republic of Korea and accusing it of non-fulfilment of its obligations, thus infusing the international atmosphere with pressure.

Owing to the undisguised United States threats of aggression and a pre-emptive nuclear strike, the Democratic People's Republic of Korea has increased its self-defensive capability and has made all preparations for coping with the United States pre-emptive nuclear attack, fully in accord with the purpose and principle of the Charter of the United Nations, and as an exercise of sovereignty in its legitimate self-defence.

I regard it as an expression of a double standard and of prejudiced behaviour, departing from objectivity and impartiality, to talk one-sidedly about the Democratic People's Republic of Korea, which defends its most valuable sovereignty and its right to existence while keeping silent about the arrogant arbitrariness by the United States, an offender.

I express once again my deep regret that the Secretariat of the United Nations sidesteps the obvious fact that the United States is trying to reverse the situation on the Korean peninsula and in north-east Asia by creating a nuclear fuss at the very point in time when relations between north and south of Korea, the Democratic People's Republic of Korea and Japan have entered a new phase, in particular, as a result of the positive efforts of the Democratic People's Republic of Korea.

If the Secretariat of the United Nations wants peace and stability on the Korean peninsula in earnest, it should approach the "nuclear issue" on a fair and impartial basis, not following the unilateral assertion of the United States that the Democratic People's Republic of Korea constitutes a "threat", and should encourage the conclusion of a non-aggression treaty between the Democratic People's Republic of Korea and the United States as the best way to bridge over the grave situation created on the peninsula due to the threats posed by the United States.

I would like to request that the text of the present letter be circulated as a document of the General Assembly at its fifty-seventh session under agenda item 56.

(*Signed*) **Pak** Gil Yon
Ambassador
Permanent Representative

United Nations A/57/617*

General Assembly

Distr.: General
25 November 2002

Original: English

Fifty-seventh session
Agenda item 56
Peace, security and reunification on the Korean peninsula

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* Reissued for technical reasons.

02-70157* (E) 261102

The United States, however, has only recently started the ground concrete tamping for the light water reactors which are to be finished by 2003. In particular, it has persistently pursued a hostile policy towards the Democratic People's Republic of Korea and has threatened it, even listing it as part of the "axis of evil" and a target of United States pre-emptive nuclear strikes.

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I would like to request that the text of the present letter be circulated as a document of the General Assembly at is fifty-seventh session under agenda item 56.

(*Signed*) **Pak** Gil Yon
Ambassador
Permanent Representative

United Nations A/57/618

General Assembly

Distr.: General
19 November 2002

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Fifty-seventh session
Agenda item 109 (b)
Human rights questions: human rights questions, including alternative approaches for improving the effective enjoyment of human rights and fundamental freedoms

Letter dated 15 November 2002 from the Permanent Representative of the Republic of Korea to the United Nations addressed to the Secretary-General

Upon instruction from my Government, and on behalf of the Permanent Representatives of Chile, the Czech Republic, India, Mali, Mexico, Poland, Portugal, South Africa and the United States of America, I have the honour to transmit herewith the following documents, which were adopted at the Second Ministerial Conference of the Community of Democracies, held in Seoul from 10 to 12 November 2002 under the theme "Democracy: investing for peace and prosperity": the Seoul Plan of Action (see annex I) and the Community of Democracies Statement on Terrorism (see annex II) both adopted by the Conference on 12 November 2002.

I should be grateful if you would have the present letter and its annexes distributed as a document of the fifty-seventh session of the General Assembly under item 109 (b) of the agenda.

(*Signed*) Sun **Joun-yung**
Permanent Representative

02-69868 (E) 021202

Annex I to the letter dated 15 November 2002 from the Permanent Representative of the Republic of Korea to the United Nations addressed to the Secretary-General

Seoul Plan of Action

DEMOCRACY: INVESTING FOR PEACE AND PROSPERITY

THE SECOND MINISTERIAL CONFERENCE OF THE COMMUNITY OF DEMOCRACIES

12 NOVEMBER 2002

We, the Participants in the Second Ministerial Conference of the Community of Democracies held in Seoul on 10-12 November 2002, affirm that the essential elements of representative democracy in all its forms are: respect for human rights – civil, political, economic, social and cultural – including freedom of expression, freedom of the press, and freedom of religion and conscience; access to and free exercise of power in accordance with the rule of law; the holding of periodic free and fair elections based on secret balloting and universal suffrage monitored by independent election authorities; freedom of association including the right to form independent political parties; separation of powers, especially an independent judiciary; and constitutional subordination of all state institutions, including the military, to the legally-constituted civilian authority. We also reaffirm the Warsaw Declaration which includes our common commitment to the purposes and principles of the UN Charter, the Universal Declaration of Human Rights, and fundamental principles of international law.

Recognizing the universality of these democratic values, the dedication of the Community of Democracies to promote and defend democracy, and the human rights and fundamental freedoms protected under democracy, we are committed to the continuous development of democracy domestically and the promotion of democracy regionally and globally. We, working as individual countries, within our regions and globally, adopt this Seoul Plan of Action with a view to accomplishing the following:

1. Regional Action

Recognizing that democratic countries are stronger economic, security, and political partners, and that the promotion of democratic ideals strengthens regional stability and cooperation, we intend to promote regional democratic progress, individually, through regional institutions, and through various measures including:

1-1. In each respective region, developing and fully implementing regional instruments which call upon regional partners to build democratic institutions, adhere to democratic principles, and provide assistance in this field to states which are in need of assistance using proper regional instruments;

1-2. Developing regional human rights and democracy monitoring mechanisms in order to consolidate regional potentialities to promote and protect human rights and democratic principles as well as to promote dialogue between countries on those issues and to remedy their violations;

1-3. Improving diplomatic engagement and dialogue with countries where respect for human rights, fundamental freedoms, and universally-accepted principles of democracy are in question, in order to highlight international concerns and promote democratic change;

1-4. Fighting corruption and upholding government integrity and good governance.

In addition, we further encourage states to consider various measures which may include:

1-5. Convening regional meetings of representatives of the government, political parties and civil society to:
- Review the state of democracy, including the human rights situation in the region;
- Share experiences and identify best practices in the region;
- Utilize lessons learned, including those applicable from other regions, to encourage an ' assist emerging democracies to develop and strengthen adherence to human rights and fundamental freedoms, and universally-accepted principles of democracy, as well as to regionally-agreed upon democracy charters;
- Develop or strengthen mechanisms in regional organizations' charters and procedures that promote democracy, *inter alia*, the Inter-American Democratic Charter approved on Sept 11, 2001 by American states, adopted following the appeal for regional initiatives included in the Warsaw Declaration.

1-6. Engaging regional and extra-regional partners to assist in democratic development and institution building.

2. Responding to Threats to Democracy

Recognizing the need to protect against threats to democracy including terrorism, the Community of Democracies may outline a series of measures that could be used with full respect for international law by countries individually, together or as members of international or regional organizations to promote, defend, strengthen or restore democratic institutions.

To prevent or respond to scenarios of violence against a democratic government, disruption of constitutional rule, persistent unconstitutional alteration of the democratic order, or support for terrorism, countries may need to resort, preferably within the framework of regional or international organizations, to a range of measures, including but not limited to:

2-1. In the particular case of terrorism, suspending bilateral relations, commerce with or aid to those states supporting terrorism and aid, support or linkages to non-state organizations supporting terrorism and, as appropriate, upon determination by the UN Security Council;

2-2. Adopting and complying with all their obligations in the 12 UN Conventions against Terrorism, and the mechanism adopted by the UN Security Council Committee established pursuant to Res. 1373 (2001), concerning counter-terrorism (the Counter-Terrorism Committee);

2-3. Creating a cadre of trained experts able to assist countries facing a threat to their democracy;

2-4. Developing monitoring systems for democratic crises so that early assistance can be provi led to support democracy;

2-5. Considering convening countries when needed to coordinate diplomatic or other efforts or political mediation;

2-6. Providing recommendations based on an on-site analysis in order to uphold democratic principles and human rights;

2-7. Supporting actions through rapid consideration mechanisms by regional and international organizations;

2-8. Enhancing existing regional and international instruments and democracy clauses, e.g. by strengthening positive economic incentives, and by preventing not only ruptures in but also the deterioration of democracy;

2-9. Offering good offices to assist, as needed, governments, other political actors, civil society, and public institutions to produce an accord committing to prescribed remedial measures;

2-10. Providing long-term technical support or monitors to strengthen democratic institutions, election process and reform efforts.

In accordance with the principles articulated in the Warsaw Declaration, the Community of Democracies, through as wide consultations as possible with its participants, will not include those countries where there is currently a disruption of constitutional rule or severe persistent erosion of or lack of essential elements of democracy.

3. Education for Democracy

Recognizing that education at all levels is a fundamental component for ensuring citizens are aware of their rights and civic duties as members of a democratic society, equipped with the basic skills for effective participation in public affairs, and that an educated citizenry is essential to the development, maintenance, and strengthening of democratic institutions and growth, we intend to encourage States and all relevant levels of government in our respective countries to promote a culture of democracy through education for democracy by:

3-1. Strengthening public education through:
- Encouraging the development of human capacity to empower an educated public who can participate in the national decision-making process;
- Seeking to ensure universal primary education;
- Adapting public education curricula to further incorporate the promotion and understanding of democracy, and democratic principles and institutions;
- Providing training to teachers to enable them to better inform students at all learning levels of democratic principles and human rights;
- Seeking to guarantee full access to education for all citizens, with specific emphasis on such access for women and girls.

3-2. Organizing public information campaigns regarding democracy, civil rights and civic responsibilities.

3-3. Encouraging the media to play a role in public education and in spreading democratic values.

4. Promoting Stronger Democracies through Good Governance

Recognizing that transparency and accountability are a democratic government's responsibility to its citizens, we intend to build strong democratic institutions and practices that are the backbone of good governance through:

4-1. Promoting the rule of law by:
- Seeking to ensure that government decision-making is open and transparent and that citizens have access, including via electronic means, to information concerning government action, laws, court decisions, procurement decisions and legislative proceedings and establishing freedom of information legislation;
- Implementing or strengthening, if necessary, constitutional and other safeguards for the independence and impartiality of the judiciary, including establishing procedures to ensure a professional corps of judges;
- Establishing any mechanisms that may be needed to ensure high standards of competence and conduct from prosecutors, defense attorneys and other members of the legal profession;
- Establishing the necessary legal, judicial, and enforcement mechanisms to ensure that basic democratic principles and human rights are fully enforced, particularly through the development and implementation of regular training procedures for military and police;
- Promoting implementation of good governance practices and enforcement of anticorruption measures and providing support for negotiations to finalize a UN convention against corruption;

- Seeking to ensure open and transparent budgetary procedures that provide for oversight by an independent legislature;
- Encouraging the involvement of civil society in the process of governance at the local, national and international levels.

4-2. Alleviating poverty and promoting economic growth by:

- Strengthening good governance as a critical foundation for economic development;
- Adopting policies which prioritize and promote sustainable social and economic development;
- Promoting transparency and openness;
- Stimulating social policies to fight exclusion, with due consideration to gender perspective and social inequalities derived from racial discrimination;
- Encouraging popular participation in national economic development and the decision-making processes;
- Recognizing the urgent need to develop ways to strengthen and sustain democracies to address social demands, boost economic development and support democratic stability and good governance.

4-3. Building and sustaining a strong political party system and a healthy civil society by:

- Creating a favorable environment, including a strong legal framework, for the development of political parties and their free engagement in political developments, elections, and responding to the interests of various segments of society;
- Establishing mechanisms to promote transparency in political parties' financing;
- Guaranteeing freedom of expression for individuals, including media outlets and journalists, engaging in the public exchange of ideas;
- Establishing constitutional protection of and mechanisms for the involvement of civil society in the governance process and developing a regular government-civil society dialogue;
- Supporting non-governmental groups that inform citizens of their rights and responsibilities, that help engage citizens with their government, that advocate democratic values and that assist people in developing basic skills needed for effective participation in public affairs;
- Encouraging the efforts of the public and private sectors to achieve equality between women and men in their ranks, including in terms of their participation in decision-making bodies;
- Protecting and promoting the equal rights of women and men to engage in political activities, including membership in political parties and trade unions;
- Providing opportunities for citizens and civil society organizations to participate in government at the local level, including through town councils.

5. Volunteerism: Toward a Stronger Civil Society

Recognizing that active involvement in the community strengthens an individual, those served, and the community as a whole; contributes to a vibrant civil society; and encourages partnership among citizens, civil society organizations, and governments, we intend to promote volunteerism by:

5-1. Encouraging our citizens to volunteer service domestically or internationally in the interest of promoting democracy and civil society;

5-2. Minimizing obstacles or legal limitations to volunteerism;

5-3. Urging public and private sector groups to encourage their workforces to volunteer and to forge partnerships with volunteer activities;

5-4. Highlighting the importance of volunteerism.

6. Coordinating Democracy Assistance

As democracy assistance has increased over the past decade, it has raised the need to ensure effective coordination in order to multiply effectiveness, create synergy, and avoid duplication in some areas while other important areas are under-assisted. While coordination at the country level has improved in certain instances, there is room for continued improvement for democracy promotion policies. The Community of Democracies intends to:

6-1. Identify assistance methods including those that most effectively facilitate free and fair elections, help countries develop an independent judiciary and accountable government institutions, and strengthen political parties, the free press, civil society groups, and a democratic political culture.

7. Procedures

The Convening Group will continue to meet regularly and be available to offer support and advice to participating states for actions taken within regional or international organizations following and based on the valuable experience gained in the past two years. In close consultation and cooperation with the Community of Democracies' interested participants, Convening Group will encourage the formation, among others, of coalitions and caucuses to support democracy. The Convening Group thereby aims to identify means of facilitating action, sharing information about developments of and to discuss means of promoting and consolidating democracy in the respective regions. The Convening Group will also be available as a means of bridging regions and regional organizations to promote the sharing of best practices and ideas.

The Convening Group will follow up on the progress in the implementation of the Seoul Plan of Action and report to the Third Ministerial Conference.

* * * *

Annex II to the letter dated 15 November 2002 from the Permanent Representative of the Republic of Korea to the United Nations addressed to the Secretary-General

Community of Democracies Statement on Terrorism

The Second Ministerial Conference of the Community of Democracies
12 November 2002
Seoul

1. The Participants of the Second Ministerial Conference of the Community of Democracies held in Seoul from 10-12 November 2002 strongly denounce terrorism as a grave threat to democratic societies and the values they embrace. They reaffirmed that terrorism constitutes a threat to international peace and security as well as to humanity in general and indeed the very foundation on which democracies are built. The most recent terrorist attacks confirm that international cooperation against terrorism will remain a long-term effort and requires a sustained universal commitment.

2. The Participants emphasize that the democratic principles and institutions promoted by international and regional organizations and reiterated by the Community of Democracies are crucial elements in endeavors to combat terrorism. Democracy provides a solid foundation for peaceful thriving societies by empowering people, holding governments more accountable and responsive to the people's needs, facilitating sustainable economic development, and, above all, enhancing respect for and protection of all human rights and fundamental freedoms. To protect societies from the scourge of terrorism and to create equitable, stable and secure societies, the participants reiterate their determination to strengthen sound democratic institutions and good governance as well as to promote their underlying principles. The participants stress that any laws or measures against terrorism should comply with states' existing obligations under international human rights law, as well as international humanitarian and refugee law applicable in specific situations.

3. The Participants underscore that terrorism cannot be justified by any cause or under any circumstances and note that the fight against terrorism requires a comprehensive set of actions, including addressing conditions that may offer a breeding ground for terrorism. The promotion of respect for human rights and fundamental freedoms, mutual understanding, respect for cultural diversity, public civil education as well as collaborative efforts to alleviate poverty and empower socially marginalized people could help contain terrorism and promote a more peaceful and prosperous international community.

4. The Participants underline that the fight against terrorism requires cooperation between and among states. They reiterate their resolve, expressed in the Warsaw Declaration, to strengthen cooperation to face transnational challenges to democracy such as state-sponsored, cross-border and other forms of terrorism. They therefore welcome increased cooperation at the regional as well as global levels. They renew their commitment to these concerted efforts to combat terrorism. In particular, they reiterate the need for universal ratification and full implementation of the UN Conventions and Protocols related to acts of terrorism, as well as the need to enforce the provisions of all the relevant United Nations Security Council resolutions including UNSCR 1373. They also commit themselves to ensuring the full implementation of the measures set out in the Seoul Plan of Action which will contribute greatly to the consolidation of democracy at the national, regional and global levels, thereby enabling their respective societies to better counter terrorism.

* * * *

United Nations A/57/619

General Assembly

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18 November 2002

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Fifty-seventh session
Agenda item 134
Financing of the United Nations Mission in Sierra Leone

Financing arrangements for the United Nations Mission in Sierra Leone for the period from 1 July 2002 to 30 June 2003

Note by the Secretary-General

1. On the basis of the recommendation of the Advisory Committee on Administrative and Budgetary Questions (see A/56/887/Add.3), the General Assembly, by its resolution 56/251 B of 27 June 2002, appropriated the amount of $669,476,400 for the maintenance of the United Nations Mission in Sierra Leone (UNAMSIL) for the period from 1 July 2002 to 30 June 2003, in addition to appropriations totalling $30,361,900 for the support account for peacekeeping operations and the United Nations Logistics Base at Brindisi, Italy, which were fully apportioned. The General Assembly did not apportion the full amount of $669,476,400 among Member States. By the same resolution, the General Assembly decided to apportion the amount of $502,107,300, with related staff assessment income of $5,022,900, subject to a decision by the Security Council to extend the mandate of the Mission. In this regard, the Advisory Committee recommended that the question of the apportionment of the balance of the appropriation in the amount of $167,369,100 be considered in connection with possible adjustments to the Mission's military and civilian components.

2. The Security Council, by its resolution 1436 (2002) of 24 September 2002, extended the mandate of UNAMSIL for a period of six months, from 1 October 2002 to 31 March 2003. By the same resolution, the Council urged the Mission to complete phases 1 and 2 of the Secretary-General's plan for the adjustment and drawdown of the Mission (see S/2002/987), including a reduction of 4,500 troops within eight months, and supported the deployment of up to 170 civilian police in UNAMSIL.

3. Based on Security Council resolution 1436 (2002) and the current status of expenditure for UNAMSIL, expenditures for the period from 1 July 2002 to 30 June 2003 are estimated at $602,912,100. The related staff assessment income would amount to $6,293,700. Compared with the apportionment of $502,107,300 already approved under the terms of General Assembly resolution 56/251 B, this represents

02-69983 (E) 251102

an increase of $100,804,800 for the period, with related staff assessment income of $1,270,800.

4. **The General Assembly is therefore requested**:

(a) **To apportion among Member States the amount of $100,804,800 for the period from 1 July 2002 to 30 June 2003, comprising $75,603,600 for the period from 1 July 2002 to 31 March 2003 and $25,201,200 for the period from 1 April to 30 June 2003, subject to a decision of the Security Council to extend the mandate of UNAMSIL beyond 31 March 2003;**

(b) **To set off against the apportionment among Member States their respective shares in the Tax Equalization Fund of the estimated staff assessment income of $1,270,800, comprising $953,100 for the period from 1 July 2002 to 31 March 2003 and $317,700 for the period from 1 April to 30 June 2003, in accordance with the provisions of its resolution 973 (X) of 15 December 1955.**